

NATIONAL ASSEMBLY

OFFICIAL REPORT

Thursday, 28th April, 2011

The House met at 2.30 p.m.

[Mr. Speaker in the Chair]

PRAYERS

Mr. Speaker: Question by the Member for Ndaragwa!

(Mr. Nyambati stood up in his place)

Order! What is it, Mr. Vice-Chairman of the Parliamentary Service Commission?

Mr. Nyambati: Mr. Speaker, Sir, I am sorry! I wanted to lay this Paper on the Table.

Mr. Speaker: Then what happened to you, Mr. Vice-Chairman?

Mr. Nyambati: Mr. Speaker, Sir, I was disrupted a little bit. With your indulgence, could you allow me to lay the papers?

Mr. Speaker: Please, resume your seat, first! You know, you are the Vice-Chairman of the Parliamentary Service Commission and, by virtue of the office you occupy, you are a senior Member of this House. Then, significantly, you have been in this House for the past three years, now and going into the fourth year and you know that you must follow very keenly the pronouncements of the various Orders, Mr. Vice-Chairman! However, perhaps, for all those reasons, maybe, you are a very busy man. So, you will be excused.

You may proceed!

Mr. Nyambati: Thank you, Mr. Speaker, Sir, for the indulgence. I apologise. I do not think that it will happen again.

PAPER LAID

The following Paper was laid on the Table:-

Estimates of the Recurrent and Development Expenditure of the Parliamentary Service Commission for the year ending 30th June, 2012 and Projections thereof for the Years 2012/2013 and 2013/2014

(By Mr. Nyambati)

Mr. Speaker: We will now go back to Questions and, once again, I will call out the Question by the Member for Ndaragwa.

ORAL ANSWERS TO QUESTIONS

Question No.759

ACREAGE OF LAND REPOSSESSED BY GOVERNMENT

Mr. Kioni asked the Minister for Lands:-

(a) what the total acreage of land repossessed by the Government following the surrender of title deeds after the expiry of the 99 year lease period as stipulated in the Constitution is;

(b) whether he could table a list of titles that have been surrendered by the foreigners; and,

(c) how have they been re-allocated for public use.

The Minister for Lands (Mr. Orengo): Mr. Speaker, Sir, I beg to reply.

(a) Under Article 65 of the Constitution, non-citizens hold land on the basis of leasehold tenure, which lease cannot exceed 99 years. In this respect, any non-citizen holding land, whether freehold or for more than 99 years is deemed to be holding the land for a maximum of 99 years. Article 65 (4) of the Constitution provides that Parliament may enact legislation to make further provisions for the operation of this Article. The Ministry of Lands is co-ordinating the formulation of the said legislation for enactment. But that notwithstanding Section 8 (1) and (2) of the Sixth Schedule of the Constitution which deals with transitional and consequential provisions provides that:-

“(1) On the effective date, any freehold interest in land in Kenya held by a person who is not a citizen shall revert to the Republic of Kenya to be held on behalf of the people of Kenya, and the State shall grant to the person a ninety-nine year lease at a peppercorn rent.

(2) On the effective date, any other interest in land in Kenya greater than a ninety-nine year lease held by a person who is not a citizen shall be converted to a ninety-nine year lease.”

Mr. Speaker, Sir, further enabling provisions for the conversion of freehold titles held by non citizens to 99-year leases will be guided by legislation enacted under Article 68 within the 18 months provided for by the Constitution.

The expiry of any Government lease held by an individual means that the land automatically reverts to the Government. Article 62 (1) (c) of the Constitution provides: “Land transferred to the State by way of sale, reversion or surrender;” shall be public land. Public land will be held, managed and administered by the National Land Commission in accordance with the Constitution. The Ministry of Lands, again, shall prepare an inventory of all public land that shall be vested to the National Land Commission.

(b) There is no provision under the Constitution that requires non-citizens to surrender titles. What the Constitution provides for is the conversion of any interest in land held by non-citizens to a maximum of 99 year leases or term.

(c) The disposal of public land is provided for under Article 62 (4) which states:

“Public land shall not be disposed of or otherwise used except in terms of an Act of Parliament specifying the nature and terms of that disposal or use.”

The primary statute in place currently is the Government Lands Act, but the primary statute in place for the formulation of the necessary legislation is on course.

Mr. Kioni: Mr. Speaker, Sir, the purpose of this Question was to establish the acreage held by foreigners that has been converted to a 99-year lease. The Question is still begging for an answer. The Minister has clearly indicated, in the second page of his answer, that the Constitution provides for conversion of interests in land held by non-citizens to a maximum of 99 years leasehold. How many such holdings have been converted to 99 years; either in terms of numbers or acreage? That is what the Question is seeking to find out.

Mr. Orengo: Mr. Speaker, Sir, the totality of the answer I have given is that, in the provisions of the Constitution, any freehold or leasehold leases that are more than 99 years automatically convert to a 99 year lease. So, it would not be possible to give the total number of acreage unless an inventory is taken. However, it is taken for granted that all the leases that are more than 99 years; either freehold or leasehold, automatically, by Constitution, have been converted to terms of not more than 99 years.

Mr. Lekuton: Mr. Speaker, Sir, I would like the Minister to explain to laymen, people like me, why we have leases that are 99 years and not 45 years or 120 years. What does that number signify?

Mr. Orengo: Mr. Speaker, Sir, there is no magic in those numbers. There are longer leases for 999 years and even 9999 years under our old constitutional order. However, currently, I can assure you that whenever any leases are being granted or renewed, they are not renewed for a period of more than 45 years, if their use is commercial. We are trying to restrict 99 years leases to residential properties only. That is because of family connections and sentimentality. We are prepared to give a longer period. However, there is no magic in 99 or 999 years. Always, in the spirit of the law, if you want to give 100 years which is a Century, you would subtract one year from that period. If another person wanted to have the lease transferred to them, it would be subtracted by a day or an hour so that there is consistence between leases especially when there are several of them. However, there is no magic behind the numbers.

Mr. Imanyara: Thank you, Mr. Speaker, Sir. The Minister realizes that most of the leases were granted at the beginning of the Century. They were 99-year leases. For the last 20 to 30 years, there have been many applications for either extensions or issuance of new leases. What is the effect upon those applications which had a year, two or three before the leases lapsed? Have they been converted automatically to a 99-year leases or are you considering the applications for extensions as they did before the effective date?

Mr. Orengo: Mr. Speaker, Sir, we are having trouble with freehold titles. However, as a matter of practice, even before the new Constitution came into place--- What I am saying is that any extensions or new grants, we avoid giving leases beyond 45 years. You will remember that before the white man came here, they preferred going to Canada, Australia and any other territories under the British Empire. However, as an attraction to Kenya, they offered freehold titles or leases of 999 years and even longer ones to entice the white settlers to come to this country. Many of them wanted to go to other parts of the empire, South Africa included. So, part of this is just historical. We have grown out of that mind set. So, if it is a commercial property, 45 year lease is the standard. If it is a residential property, because of family consideration, we give 99 years. No more, no less.

Mr. Kioni: Mr. Speaker, Sir, according to the provision we have in the Constitution, that is Article 65(1), and the Minister has read it, it gives a message to Kenyans that foreigners or non-citizens holding land for more than 99 years should revert it to the Government and get 99 year leases. Given the answer that the Minister has given, that the lease automatically reverts to 99 years, does that mean that with regard to this provision in the Constitution, there is nothing that the Ministry is doing to enforce the provisions as contained in Article 65(1)? What is the Ministry doing? Are they just waiting for things to happen automatically? If that is what the Ministries are doing, then that is a big loss to this country.

Mr. Orenge: Mr. Speaker, Sir, with tremendous respect to hon. Kioni, if he was listening to me, he would have heard me say that we are preparing enabling legislation to put into effect the full import of those provisions of the Constitution that make it impossible for non-citizens to own land for periods longer than 99 years. Indeed, as a matter of clarification, under the Agriculture Act and the Land Control Act, it is not easy, even under the old constitutional order for non-citizens to acquire agricultural land. There are those provisions that restrict agricultural land falling under the possession or ownership of non-citizens.

I am not saying that it has not been abused. It has been abused in the past. However, for a foreigner, even under the old order, to acquire agricultural land, such a transaction required an exemption by His Excellency the President. No Land Control Board can give consent for a transaction passing agricultural land to a non-citizen. But for what it is worth, and I think it is important, in the enabling legislation, it will be necessary for us to prepare an inventory. That is what has made it difficult for the Government to know how much land is public land. This new constitutional order will make it possible for us to handle the framework of the provisions that we have. We will have an inventory of public land so that it is not a matter of loss to the public.

Question No.831

EXPENDITURE ON REHABILITATION OF MIGORI
DISTRICT HOSPITAL

Mr. Pesa asked the Minister for Medical Services:-

(a) whether he could provide a list of the breakdown of the funds (from both Government of Kenya and donors) that have been used to rehabilitate the Migori District Hospital in 2008/2009, 2009/2010 and 2010/2011 financial years and confirm whether the funds have translated to improved medical service delivery to residents of Migori County and its environs; and,

(b) why the staff at the hospital refused to offer emergency services to one Silas Ooko on Monday 21st March, 2011 between 6 a.m. and 8.30 a.m. and what disciplinary measures he will take against the staff concerned.

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

(a) The breakdown of funds from both the Government of Kenya and donors that have been used to rehabilitate Migori District Hospital in 2008/2009, 2009/2010 and 2010/2011 financial years is as follows: In the year 2008/2009, a sum of Kshs23 million was given. The project was funded by the Government and is now fully functional. In the year 2009/2010, the Government gave the same project Kshs16 million.

Another project is the construction of a domestic centre, which is aimed at providing immunology, laboratory, X-Ray and ultrasound services. The project is funded by the Government of Kenya and is ongoing.

Another project involves installation of equipment; it started in 2009. This project is ongoing at a total cost of Kshs61,366,600. The project involves construction of casualty area and provision of medical equipment, plus the usual maintenance. The project is funded by Sint International and the Government of Kenya. It is an ongoing project involving installation of equipment. The total amount that has been spent so far is Kshs77,366,600. I confirm that the projects funded have translated into improved delivery of health services to the residents of Migori County and its environs.

(b) Migori District Hospital did not refuse to offer any emergency services to Silas Ooko on the morning of Monday, 21st March, 2011. Records at the Hospital Management Information System, which cannot be altered, indicate that the patient reported at the registration desk at 7.30 a.m. and was seen by a clinical officer at 7.35. He was diagnosed with a respiratory tract infection and the clinical officer decided to admit him.

He was given an inpatient number and a file to allow the clinician to make admission notes. However, the patient wanted immediate treatment, and not admission into a ward for management. So, he opted to leave. His condition was stable at the time he was seen by the clinician.

Mr. Pesa: Mr. Speaker, Sir, I want to commend the Ministry for putting quite a good amount of money into this facility. My concern is that whereas the Government puts in money, the people who are charged with the responsibility of giving services are sometimes reluctant to do so. Can the Assistant Minister table the inpatient number that was given to this particular patient, if he was admitted at all?

Mr. Kambi: Mr. Speaker, Sir, I have indicated the time at which the patient was seen by the clinical officer. I have clearly stated that this information cannot be altered because it is a computer printed document. The patient decided not to be admitted because he wanted to go home. His condition was such that the patient had to be admitted. But, in fact, he ignored the clinical officer's recommendation that he be admitted.

Mr. Pesa: On a point of order, Mr. Speaker, Sir. I want to plead with the Assistant Minister that this is not a simple matter. We are talking about the lives of the residents of Migori. I am asking him to satisfy this House that the patient was given a number on admission. I want that number tabled here.

Mr. Speaker: Order, Member for Migori! That does not sound like it can pass for a point of order, but you will have a second bite at the cherry. For the moment, the Assistant Minister, in fact, in his answer, has told you that the patient went against the doctor's advice, that he be admitted. So, you can do better than that.

Anybody else interested?

Eng. Rege: Mr. Speaker, Sir, I would also like to take the opportunity to commend the Ministry for allocating Kshs77 million to Migori District Hospital. However, my question is: How can the Assistant Minister say that all the money spent has now resulted in delivery of better services to the people of Migori when the major items have not been completed? There is no equipment for laboratories. Could he explain exactly how he is delivering the services, in view of this observation?

Mr. Kambi: Mr. Speaker, Sir, I clearly stated that we have been supplying X-Ray machines. That is part of the equipment required to deliver good services to patients. Unless the hon. Member was not listening when I was answering this Question, I said that there is an ongoing construction of the casualty area, provision of medical equipment and undertaking of initial maintenance, courtesy of Sint International and the Government of Kenya.

Mr. Speaker: Last question, Member for Migori.

Mr. Pesa: Mr. Speaker, Sir, the Assistant Minister states in his answer that Mr. Ooko was given an inpatient number and a file to allow the clinician to make admission notes. So, the number was given. This Question has been here for the last three weeks. If this patient was really admitted and an inpatient number given to him, the Assistant Minister should have been able to get the inpatient number from Migori District Hospital; this is actually my worry. This patient was not actually admitted. He was rushed to another hospital, where he was treated. I spoke with the patient that morning while admitted in another hospital.

Mr. Kambi: Mr. Speaker, Sir, Mr. Ooko was outpatient No. 7999/2011. The residence of the patient is Nyabisawa. The patient reported at the registration desk at 7.28 a.m.

(Mr. Pesa stood up in his place)

Mr. Speaker: Order, Member for Migori! Assistant Minister, in your answer, did you state anywhere that the patient was given an inpatient number?

Mr. Kambi: I did, Mr. Speaker, Sir.

Mr. Speaker: What is the inpatient number, if the patient was given one?

Mr. Kambi: Mr. Speaker, Sir, before one is given an inpatient number, one must accept the outpatient number. However, this patient refused to be given the outpatient number; he ran away.

Mr. Speaker: Assistant Minister, just try and be clear in your answer. You read an answer, which you have also supplied to the Questioner. What does your answer say? Does it say that this patient was given an inpatient number?

Mr. Kambi: Mr. Speaker, Sir, he was not given one because he was never admitted.

Question No.712

NUMBER OF DRUG REHABILITATION CENTRES IN KENYA

Mr. Speaker: Hon. Yakub! The Question is dropped!

(Question dropped)

Question No.742

WATER PROJECTS IN WAJIR SOUTH/KITUI CENTRAL/TURKANA
CENTRAL CONSTITUENCIES

Mr. Sirat asked the Minister for Water and Irrigation:-

(a) whether she could provide a list of all water projects undertaken by the Ministry in Wajir South, Kitui Central and Turkana Central Constituencies from 2008 to date;

(b) what measures the Ministry is taking to mitigate the acute water shortage in the vast Wajir South Constituency; and,

(c) whether the Government could consider establishing an irrigation scheme along the Waso Belt (Lorian Swamp) in Habaswein District.

Mr. Mbadi: On a point of order, Mr. Speaker, Sir. I am rising on a point of order on the basis of this Question. Given the current accusations and allegations about the Members of Parliament asking particular Questions and contributing to particular Motions, it is important that if one identifies an issue that needs to be raised, then we get it cleared before we move ahead. The Minister for Water and Irrigation who is supposed to answer this Question is the Member of Parliament for Kitui Central, which is one of the constituencies listed here. I would love to hear if she asked the Member to ask the Question or she is using the Member to ask a Question relating to her constituency, which I would find not to be in order. As the Minister answers this Question, she should explain to this House whether she felt that she could ask another Member to ask a Question relating to her Ministry. If not, then it would be important for the Member to tell us why--

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Mr. Speaker: Order, Member for Gwassi! What Standing Order are you anchoring your concern on?

Mr. Mbadi: Mr. Speaker, Sir, I am referring to the Standing Order No.43(9), which even leads us to the fact that if this issue relates to the Minister's constituency, we can discuss her conduct on the basis of the Question.

Mr. Speaker: The Standing Order No.43(9), in my opinion, has no reference whatsoever, to the concern that you are raising. Minister, you may proceed! Member for Gwassi, of course, you could have done better. If you come and see me in my chambers, I will assist you.

The Minister for Water and Irrigation (Mrs. Ngilu): Mr. Speaker, Sir, I did not ask the Member to ask the Question on behalf of my constituency.

However, I beg to reply.

(a) My Ministry has undertaken water projects in Wajir South, Kitui Central and Turkana Central from 2008 to date as contained in annexes A1, A2 and A3, which are attached.

(b) My Ministry is putting the following measures to mitigate against the current drought in the vast Wajir South Constituency:-

(i) We have issued two new water bowsers to the district for water trucking and there is an old one that is still being used.

(ii) We have disbursed Kshs8 million for drought mitigation, water trucking, fuel subsidy and spare parts for the boreholes in the last three months.

(iii) The Northern Water Services Board has been instructed to develop a master-plan for the Board to identify strategies that will assist in effective mitigation of drought in future.

(c) My Ministry will assess the viability of establishing an irrigation scheme in Lorian Swamp and the National Irrigation Board has already been instructed to carry out a feasibility study, which will be completed by September, 2011. If the project is found viable, my Ministry will source for funds to implement the irrigation scheme.

I also wanted to share with the Member that there is a Ministry of State for Development of Northern Kenya and Other Arid Lands, which also has resources that should be used to do the same, specifically to deal with some of these unique problems that the people of northern Kenya face.

Mr. Sirat: Mr. Speaker, Sir, I would like to inform the House that the Minister has not asked me to ask the Question. However, she has ambushed me with the answer. I had no time to verify when the projects were done as the answer supplied has four columns, namely, the name, the location, the nature, the cost and the completion status of the project. However, it does not show the year the project was done. In the answer, I can see many projects that were done way before 2008. In fact, some of them are as old as eight years.

The Minister has given Wajir South Kshs70 million in whatever year she has used here and gave her constituency Kshs618 million. Why the disparity?

Mrs. Ngilu: Mr. Speaker, Sir, it is true that I did not indicate the years because he did not ask about that. He asked about 2008 to date. That is what I looked at. I did not look at what point some of these projects were designed. However, the Member has talked about Kshs683 million that we have put in Kitui Central Constituency, if he can check on page four number six, he will see that there is construction of a dam for Kitui District, which is going to serve four constituencies. Kitui is a county headquarters. The cost of this dam is Kshs824 million, which is Umaa Dam. We have already spent Kshs575 million on this dam, which has stalled due to some political issues. That is why it looks like we have spent a lot of money in Kitui Central. We have spent same amount of money as we have spent in other constituencies.

Mr. Affey: Mr. Speaker, Sir, I thank the Minister for the projects that already have been undertaken. One of the projects that the Minister has shown as completed is a borehole which was drilled, but they did not find water. They found it dry, yet in the answer it is shown as complete. What arrangements do they have to drill another borehole? They must carry out a survey before a borehole is drilled in order to get water for the community. As I speak, during this drought situation, there is a water bowser and there is a threat of its withdrawal by the National Water and Conservation Pipeline Corporation when we get rains. The rains there are so irrational. Could the Minister confirm that the water bowser will not be withdrawn and the borehole will be re-done?

Mrs. Ngilu: Mr. Speaker, Sir, it is true that sometimes geological surveys show that there is water underground and when they drill, they find that there is no water. That happens especially in the northern part of the country. Therefore, that is not unusual. On the issue of the water bowser, we are going to increase water bowsers because this

drought seems to be very severe. I think it is going to be very severe. So, I can only look for more resources to increase the water bowsers.

Really, I sympathize with the hon. Member because even with three water bowsers in his constituency we can hardly cover the area. His area is 22,501 square kilometres with a population of 130,000 people. That kind of size, even if we wanted, we can hardly cover it effectively and efficiently. However, we are trying everything we can. We are going to see how we will serve them efficiently and effectively.

Dr. Nuh: Mr. Speaker, Sir, while I want to thank the Minister because I think many villages have survived the drought courtesy of the water trucking that has been done by the Ministry of Water and Irrigation, I want to bring to her attention the fact that in our constituencies there are still many places where the rains have not come. Does the Ministry have any plans of trying to track how the rains are falling, so that for the villages where water trucking is currently underway, they continue supporting it through financial assistance until the rains come?

Mrs. Ngilu: Mr. Speaker, Sir, we have already put that programme in place. In actual fact, we have been disbursing funds to the constituencies that are drought-stricken. We have also purchased collapsible tanks, including other tanks, so that the resources that we send out to the people can be used. The equipment can be used by the lorries to take water to where the people are. I had an occasion early this month to go to Turkana Central. I really think that we need to do much more as the Government to serve these people. I could not understand how people in this country could still walk up to 30 kilometres in search of water, and it is happening. So, we really need to stop politicising issues to do with water. All of us should join hands to ensure that some of these people who are suffering very much can get this much needed commodity.

Mr. Speaker: Madam Minister, take action! Yes, the Member for Keiyo South!

Mr. Kiptanui: Mr. Speaker, Sir, if I heard the Minister very well, she did say that one of the big dams in Kitui has stalled due to political issues. Being a Minister and a politician, I would like to know when these political issues will be sorted out so that this project can continue.

Mrs. Ngilu: Mr. Speaker, Sir, the design of this dam was done way back in 1988. That was long before I became a Member of Parliament. It was never implemented until 2006 when the dam was re-designed. In 2008 we took these designs. In 1988, the cost was only Kshs200 million but today the cost is Kshs824 million. The contractor came up with an appraisal figure of Kshs652 million. That is in the Committee's Report that was tabled in this House a week ago. This is what has made this project stall even though we have already paid Kshs575 million and 67 per cent of this project is complete. There is a further Kshs400 million to be paid. If this money is paid, the project will be completed and the people of Kitui will get water.

Mr. Speaker: Yes, the Member for Wajir South!

Mr. Sirat: Mr. Speaker, Sir, the Minister has not answered the question asked by my colleague, Mr. Affey. Currently, one of the two water bowsers that she has given us has a blue number plate, registration No.KBJ and it is owned by the National Water Conservation and Pipeline Corporation. There is a threat to withdraw that water bowser now or in the near future. The hon. Member asked whether she will be kind enough to talk to them so that the water bowser stays there, because water trucking in that area is done on a daily basis, whether it rains or not. As the Minister stated, Wajir South

measures 21,000 square kilometres and half of it has no boreholes. We request the Minister to be kind enough to let the water bowser stay there permanently.

Mr. Speaker, Sir, secondly---

Mr. Speaker: Order, the Member for Wajir South! You have been following proceedings in this House for quite sometime now. Madam Minister, would you like to respond to that supplementary question?

Mrs. Ngilu: Mr. Speaker, Sir, I have already responded and said they have three water bowsers. Whether it is the National Water Conservation and Pipeline Corporation or Government of Kenya or Ministry of Water and Irrigation, it is one and the same thing. I said that we can only add because of the need but not remove them. I think the hon. Member was not listening.

Question No.853

CLEAN WATER SHORTAGE IN MASINGA

Mr. Mbai asked the Minister for Water and Irrigation:-

a) whether she is aware that Masinga District Headquarters, Masinga Market and Masinga Girls' Secondary School have no clean drinking water despite Masinga-Kitui water pipeline being only 7km from the market;

(b) when she will provide water to these facilities; and,

(c) what became of the planned Masinga – Ekalakala Water Project.

The Minister for Water and Irrigation (Mrs. Ngilu): Mr. Speaker, Sir, I beg to reply.

(a) I am aware that Masinga District Headquarters, Masinga Market and Masinga Girls Secondary School have no clean drinking water, as they are served by a borehole water which is saline, despite Masinga-Kitui water pipeline being only 7km away from the market.

(b) Masinga District Headquarters, Masinga Market and Masinga Girls Secondary School will be provided with water once the implementation of Masinga-Kitui Water and Sanitation Project, which is scheduled to start in October, 2011 is completed.

(c) The Masinga-Ekalakala Water Project has been tied to the development of Masinga-Kitui Water and Sanitation Project, which is due to start in October, this year as I have stated in part “b” above.

Mr. Mbai: Thank you, Mr. Speaker, Sir, although you have not given me permission to ask my supplementary question. Masinga Dam was constructed in 1970s and its initial plan was to provide the local people with water for irrigation and clean water for domestic use. This water was taken, at one time, in a line from Masinga to Kitui. This time round the Minister wants to do a second line from Masinga to Kitui again. The Minister is constructing new dams while we have Masinga Dam. Why can she not supply the Masinga people fresh water from the dam?

Mrs. Ngilu: Mr. Speaker, Sir, it is true that the Masinga-Kitui Water project was designed way back in the 1970s but was completed in 1995/1996. The pipeline was supposed to take water from Masinga to Kitui and not to Masinga and Yatta. We have now put a design in place to ensure that people from Masinga, Yatta, Kitui West, Kitui Central and Mutito can get water from Masinga. We have gotten money to a tune of

Kshs2 billion from the African Development Bank (ADB) and that will be done. I have said that the design is complete and the project will start in October, this year.

Mr. C. Kilonzo: Mr. Speaker, Sir, Yatta and Masinga have been very close to the dam. When electricity was connected, it by-passed those two centres. When water was brought, Matuu and Masinga were not beneficiaries. We appreciate the role that the Ministry is playing for the big projects which are in the pipeline. But since we are going through a very dry spell and drought, what urgent measures has the Minister taken to ensure that boreholes are sunk in the two areas?

Mrs. Ngilu: Mr. Speaker, Sir, the Ministry has set aside funds to ensure that all these drought stricken constituencies have got some money for mitigation. This is what has been done over the years. We need to move away from always mitigating and trying to do some quick service to the people. That is why we have put money now in this water project, so that we can solve the problem, once and for all. Indeed, I thought the two hon. Members would be standing up to say, "Thank you. It was not done before by others who were there." So, I want to say that it will be done, once and for all. At the moment, we have money to mitigate. We have water bowsers to take water to the people.

As you heard, the water that Masinga Market is using is saline. Therefore, it is of no use to the people. They are still suffering even when the pipeline is seven kilometers away. It was a mistake those days and if I was the one there, I certainly would have given you water.

Mr. Musyimi: Mr. Speaker, Sir, as Chairman of the Committee that oversees this Ministry, I am aware of the very good work that is being done. However, I found it a bit disappointing that the usage of water from Masinga Dam is going into only Machakos and Embu counties. This dam also covers Embu County on the other side. I do not think there is much that is being done to alleviate the water shortage, particularly in Gachoka Constituency. Could the Minister, perhaps, give us a sense of what might be done in this respect?

Mrs. Ngilu: Mr. Speaker, Sir, I am aware that most of the water that is being used in different places comes from areas where water is not being supplied. When I was answering the Question yesterday by Mr. Waibara I said that we now have a policy in place to ensure that communities that live near the source of water are given water. I really sympathise with Masinga people because that is where electricity is generated from, but they have no electricity. That is where water comes from, but they have no water. So, we have a policy to ensure that where there is a source of either water or electricity, or whatever else, communities in that area should benefit from that commodity.

Mr. Mbai: Mr. Speaker, Sir, I must appreciate the work done by the Minister in various parts of this country. I would like her to assure people of Masinga that they will get water. Could she also---

Mr. Speaker: Order, Mr. Mbai! You decide which one is the most important question and you ask it.

Proceed, Minister.

Mrs. Ngilu: Mr. Speaker, Sir, we had these decisions in place long before the hon. Member asked his Question. They are assured they will get water.

Question No.752

NUMBER OF INDUSTRIAL ESTATES IN KENYA

Mr. Anyanga asked the Minister for Industrialization:-

(a) whether he could provide a list of all industrial estates in all districts in Kenya; and,

(b) when the Government will allocate funds for the construction of industrial estates in Nyatike District to help spur economic growth aimed at achieving the goals of National Development and Vision 2030.

Mr. Speaker: Is the Minister for Industrialization here? Prof. Saitoti, you are the next in line. Where is the Minister?

The Minister of State for Provincial Administration and Internal Security (Prof. Saitoti): Mr. Speaker, Sir, the best thing that I can do is to undertake to bring to the attention of the Minister that this Question be answered next week.

Mr. Speaker: Member for Nyatike, are you comfortable with next week?

Mr. Anyanga: Mr. Speaker, Sir, I have no choice, but to accept.

Thank you.

Mr. Speaker: Very well. We will defer this Question to the morning session of Wednesday, next week.

(Question deferred)

Question No.755

MANDATES OF PARASTATALS

Mr. Yinda, on behalf of **Mr. Ochieng**, asked the Deputy Prime Minister and Minister for Finance:-

(a) whether he could provide a list of parastatals, stating their respective mandates,

(b) which of the corporations are self-sustaining and give dividends to the Government, and;

(c) which of the parastatals depend on the Government for survival and why.

The Assistant Minister, Office of the Deputy Prime Minister and Ministry of Finance (Dr. Oburu): Mr. Speaker, Sir, I beg to reply.

(a) In regard to parts "a", "b" and "c"---

Mr. Yinda: On a point of order, Mr. Speaker, Sir. I would like to seek your indulgence on this case. I have not received the written answer to this Question. Even if I do receive it now, I will need time to interrogate it.

Mr. Speaker: Mr. Assistant Minister, what is your reaction to that? Did you supply a written answer in time?

The Assistant Minister, Office of the Deputy Prime Minister and Ministry of Finance (Dr. Oburu): Mr. Speaker, Sir, I cannot vouch on the issue of time, but I know that it was supplied. I do not know whether I could read the answer first---

Mr. Speaker: No, given that the hon. Member is incapacitated to interrogate your answer as a result of your failure to supply it timeously, I will defer the Question to Tuesday afternoon, next week.

The Assistant Minister, Office of the Deputy Prime Minister and Ministry of Finance (Dr. Oburu): Mr. Speaker, Sir, I would like to ask for your indulgence to defer it to Wednesday afternoon.

Mr. Speaker: Very well. It is so directed. Please, supply the answer you have to the Member for Alego Usonga who is holding brief for the Member for Nyakach.

(Question deferred)

Question No.804

DISTANCES BETWEEN VILLAGES IN
MBALAMBALA DIVISION

Dr. Nuh asked the Minister of State for Provincial Administration and Internal Security:-

(a) whether he could list the villages in Mbalambala Division of Bura District and indicate the distance between the villages in kilometers,

(b) how many policemen or Kenya Police Reservists are stationed in these villages, and;

(c) when the Government will provide security to the residents of the division.

The Assistant Minister, Ministry of State for Provincial Administration and Internal Security (Mr. Ojode): Mr. Speaker, Sir, I beg to reply.

(a) There are 14 villages within Mbalambala Division as follows:- Between Masugudha - A and Masugudha – B, the distance is five kilometres. Between Meye and Hashaguku, the distance is three kilometers. Between Asako - A and Asako- B the distance is three kilometers. Between Hashafirima and Mojuo the distance is 15 kilometres. Between Hamba and Dirisa it is two kilometers. Between Hashak Delo and Bambasi it is seven kilometers. Between Ashakone and Mbilimbili it is two kilometers.

(b) There are no officers from the Kenya Police Service deployed in these villages. However, there are 15 Kenya Police Reservists currently deployed in the area as follows:- Asako Location has got nine reservists and Buwa Location has got six reservists.

(c) The District Security Committee, through the security personnel has been providing security within Mbalambala Division of Bura District. Further, there are plans to set up a police patrol base or post but this will depend on the availability of funds. I have also communicated to the Questioner that I am willing to do a structure for a police post in a place of his choice between those villages, in order to restore sanity within that area.

Mr. Mbadi: On a point of order, Mr. Speaker, Sir. You heard the Assistant Minister say that he has talked to the Member for Parliament to decide on a place of his choice where he would place that particular station. This is a security matter. The hon. Member, probably, is not a security expert. Does it mean that the Government does not have a security system that can decide on the best location? Is it in order for him to shift

the role of the Government and give it to a Member of Parliament, especially where security is concerned?

Mr. Speaker: Order! Mr. Assistant Minister, you need not respond to that. Member for Gwassi, if you catch my eye, you can ask that question and the Assistant Minister will answer.

Proceed, Member for Bura.

Dr. Nuh: Mr. Speaker, Sir, I am very disappointed in the answer unless I consider the last assurance by the hon. Assistant Minister. He has given 14 villages as all the villages we have in Mbalambala Division whereas these 14 villages are only in one division, which is Asako Location. He has omitted 16 other villages in Buwa Location which cover a distance of approximately 100 kilometres. The area within the 100 kilometers where we have 36 villages is where he is saying he has deployed 15 Kenya Police Reservists.

The lives of these people are in danger because they are not---

Mr. Speaker: Order, Dr. Nuh! You know when you get an answer that is, perhaps, not clear, the purpose of being allowed to ask questions is so that you can get the Assistant Minister to give you what is more pertinent getting there, instead of taking advantage of this time now to debate, which is what you have done for two minutes.

Dr. Nuh: Mr. Speaker, Sir, I stand guided. I was only trying to enumerate the inadequacy of the answer.

Mr. Speaker: Order, Dr. Nuh. I want this to apply to even other Members. You know, we want to use our time productively. As you are all aware, we are supposed to do Questions in one hour. If each of us takes three minutes laying the background to a Question, I am not so certain we can then deal with 15 Questions which appear on the Order Paper. So, let us all co-operate so that we are productive, and so that we can give as many of us an opportunity to be heard in this House. Proceed!

Dr. Nuh: Mr. Speaker, Sir, our only fear is that we will reject all the answers that we are given by Ministers because of their inadequacies. But---

Mr. Speaker: Order, Dr. Nuh! What is wrong with you? Let us proceed. Respect the ruling and ask your question!

Dr. Nuh: Thank you, Mr. Speaker, Sir. I will now ask the Assistant Minister my question. When is he going to recruit the Kenya Police Reservists (KPRs) to replace those who have retired due to old age and whose guns have been confiscated.

Mr. Ojode: Mr. Speaker, Sir, the work of KPRs is to supplement the work of the regular police who are also within his division and district. Within the district, we have the Officer Commanding Police Division (OCPD) together with his team. Again, within the divisions up to the location level, we have the Administration Police officers (APs). I am also supplementing the services of the KPRs. Of course, we got about 15 officers and we are still continuing with the vetting of the other 15 officers. That means I am going to appoint another 15 KPRs to supplement the work that is being done by both regular police and APs. I think I am too generous, but I am generous for purposes of the---

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

Mr. Ojode: Why don't you wait and listen to the "Government"!

Mr. Speaker: Order, Mr. Assistant Minister.

Dr. Nuh: Mr. Speaker, Sir, is the Assistant Minister in order to mislead the House because, in his own answer, he has intimated that in the whole division, there is not a

single policeman or AP officer? Is he in order to mislead the House that the work of those KPRs is to supplement what is not even there?

Mr. Ojode: Mr. Speaker, Sir, in the whole country, leave alone his constituency, divisions are manned by APs all the way up to the locational level. That is the truth of the matter. What I am doing now, because of the distance between one location to the other and one division to the other, I am coming up with KPRs. Of course, I have given him 15 KPRs who are right now on the ground. I am still going to give another 15 KPRs to supplement the work done by the regular police and APs. So, I have given him time together with the District Intelligence Security Committee (DISC) to agree on where they want me to put up a structure for the additional security personnel. That is because of the expansiveness of the area. I am too generous for him.

Mr. Lekuton: Mr. Speaker, Sir, the issue of KPRs is very important, especially in remote areas like Laisamis. Yesterday, a man died because there was no one to save his life after bandits attacked him. Mr. Speaker, Sir, please, just give me one more second. A few months ago---

Mr. Speaker: Order, Mr. Lekuton! You have to operate within the rules. It is Question Time. Frame your question in the best manner you can, but it has to be a question.

Mr. Lekuton: Thank you, Mr. Speaker, Sir. I will be quick. Mr. Assistant Minister, a few months ago, you took the fingerprints of KPRs and said that you were going to arm them. That is six months ago. What has happened to that exercise? Has it stalled and, if so, what are the reasons?

Mr. Ojode: Mr. Speaker, Sir, the whole exercise has not stalled. We want to come up with the best. For those that are being vetted, it is in order for us to go for the best because we are going to give them guns. I would not want a situation where we give guns to criminals. So, if we can take some time within a month or so, I will finish the exercise and give you really good police officers in the name of KPRs.

Mr. Mbadi: Mr. Speaker, Sir, given that the Assistant Minister has said that each division is manned by, at least, an AP, could he confirm to us that he is going to make sure that there are APs in all the divisions in this country?

Mr. Ojode: Mr. Speaker, Sir, I want to confirm here that all divisions within the country have APs. It is not only within divisions. It trickles down all the way up to the locations, which are manned by chiefs. Hon. Olago will agree with me because he knows that he has APs within his location.

(Laughter)

Mr. Chachu: Mr. Speaker, Sir, first, I want to commend the Police Commissioner and the Assistant Minister here for the recruitment of police officers and APs that was done yesterday. I think it was done very transparently and, for the first time, we are proud of our Government. Secondly, this is my question. The Government asked the pastoralists in Northern Kenya to return all the illegal arms, and which they did. There is a commitment by this Government that it will recruit more KPRs, especially for those who live along the porous international borders. When will it fulfill that commitment?

Mr. Ojode: Mr. Speaker, Sir, indeed, it is true that we are mopping up all illegal guns and, at the same time, we are recruiting and vetting KPRs. We must provide security. But what I hate to see is where we fast-track the recruitment of KPRs and then we end up with criminals. Allow my officers to recruit and vet good people because those fellows are going to be given guns. Otherwise, as at now, there is no problem at all within those porous areas because I have enough security personnel. In the meantime, I am going to fast-track the vetting of those officers in order for them to be given guns and start working.

Dr. Nuh: Mr. Speaker, Sir, I had stood on a point of order but now, I will be forced to ask it as a question. The Assistant Minister has continued to mislead the House that every division is manned by APs. In his answer, he has said that in Mbalambala Division, there is no single AP officer. Since he has promised to give us a police post, could he, in the meantime, order the District Commissioner (DC) to deploy AP officers to serve in those two locations?

Mr. Ojode: Mr. Speaker, Sir that is not a big problem for me. I want to assure the Questioner that where there are no APs, he will have them. It is our duty to provide security in each and every division. The whole thing will trickle down all the way to the chief's camps.

Mr. Speaker: Next Question by Mr. Kaino!

Question No.859

HIGH COST OF WOOL PRODUCTION

Mr. Kaino asked the Minister for Livestock Development:-

- (a) whether the Minister is aware that wool farming is the main source of livelihood to the people of Marakwet;
- (b) whether he is further aware that the per-unit cost of wool production has become higher than the earnings to the farmers; and,
- (c) what the Ministry is doing to ensure that wool farmers benefit from the activity.

The Assistant Minister for Livestock Development (Mr. Duale): Mr. Speaker, Sir, I beg to reply.

(a) Yes, I am aware that wool farming is one of the sources of livelihood to the people of Marakwet, with a wool sheep population of 141,582.

(b) I am also aware that the per unit cost of wool production is higher than the earnings to the farmers in that particular region. On average, a sheep produces between 1.5 to 2.5 kilogrammes of wool per year in that particular district, while it is supposed to be 4.5to 6.5 kilogrammes per year annually, in other parts of the country and in the world. Thus, the per unit cost is higher than the earnings in Marakwet. That situation is attributed to the following factors:-

(i) most animals in Marakwet are not housed and, therefore, sleep on the bare floor, making the quality of wool low and the wool itself very dirty; this lowers its price at the market;

(ii) There is a lot of in-breeding in Marakwet among the sheep;

(iii) The sheep are sheered early before reaching maturity and this lowers the quality and quantity of the wool;

(iv) over-stocking is very common in Marakwet, and this has contributed to the poor nutrition for the animals; this eventually lowers the quality of the wool.

(c) To ensure wool farmers in this country, including those in Marakwet District, benefit from wool production, the Ministry of Livestock Development has put in place the following interventions:

(i) It has established nine sheep and goat stations across the country. Two of them, namely the Naivasha and Marindas in Molo, are used for breeding quality wool sheep for sale to farmers in order to improve their flock across the country. In 2006, Marindas Sheep Research Station and goat station sold seven breeding rams to Labot Sheep Multiplication Centre in Marakwet to improve their herds.

(ii) The Ministry has deployed a Livestock Production Officer to this station in Marakwet to assist wool farmers on the technical aspect.

(iii) The Ministry, in collaboration with KIRDI, is conducting a survey of all the wool producing districts in the country to establish the actual population of wool sheep, the level of production and the challenges the farmers are experiencing in order to address them.

(iv) Through the National Agricultural and Livestock Extension Programme, farmers are being sensitized on the consequences of in-breeding. They are also being trained on the best routine management practices aimed at improving wool production. These include deworming, feeding and the housing of the sheep.

(v) Farmers are also advised to shear their sheep when they are at least 18 months of age in order to get mature wool.

Mr. Kaino: Mr. Speaker, Sir, let me thank the Assistant Minister for this answer. However, three sections of the answer are misleading. Labot Sheep Multiplication Centre is not functioning, yet he says it is functioning. Another thing is that the Assistant Minister says farmers are being trained, yet there is no such training. I think the officers on the ground are misleading the Assistant Minister. I wish I got this answer earlier.

Mr. Speaker, Sir, you have several times asked Ministers to be concerned about their job. It is very important that we get these answers in our offices. I wish the Chair could order that Ministers to take answers right into the offices of Members of Parliament. This would enable us interrogate the answers, and advise them even before they come here.

Mr. Speaker: Assistant Minister, you have no question to answer!
Anybody else who is interested?

Mr. Mureithi: Mr. Speaker, Sir, I have listened very well to the Assistant Minister with respect to wool production. It is however, disheartening, considering that in Nyandarua, and in particular in Ol Kalou, we even hold the national cup for the best sheep in Hampsherdam production. Since the advent of the death of Kenya Farmers Association (KFA), we have lost our market. What is the Assistant Minister doing to make sure that this lucrative business that used to take place in Nyandarua County, and in particular in Ol Kalou, is revived, so that farmers can get the good income they used to get when the KFA was alive?

Mr. Duale: Mr. Speaker, Sir, I have said that in collaboration with KIRDI, we are currently doing a survey in all the districts where wool production is undertaken by

Kenyan farmers. Secondly, under the National Agricultural and Livestock Extension Programme, we are training farmers. I want to assure hon. Members that the aspects of marketing and production are more of a private sector. As the Government, we want to play a very big role in regulation, breeding technology, making sure that the right environment is created, farmers are educated, and standards are met, to make the private sector thrive in the marketing and sale of wool products.

Mr. Letimalo: Mr. Speaker, Sir, what plans does the Ministry have to introduce wool farming in livestock rearing areas, as a way of improving the economic activities in such areas?

Mr. Duale: Mr. Speaker, Sir, I think that plan is there. This House has passed it; it is found in the National Livestock Policy of 2008/2009. We have indicated the potential, challenges and the vision of the Ministry of Livestock Development.

Mr. Speaker: Last question, Mr. Kaino!

Mr. Kaino: Mr. Speaker, Sir, could the Assistant Minister assure this House that he is going to send somebody to Labot, which he has mentioned today? He should be practical and not just theoretical. Labot Sheep Multiplication Centre should become a reality to farmers of Lelum/Pokot and Lelum/Marakwet, who really depend on this product.

Mr. Speaker, Sir, could the Assistant Minister tell us how much money the country is losing in form of foreign exchange, for buying wool from outside instead of getting it from this country?

Mr. Duale: Mr. Speaker, Sir, I am not going to send somebody. I am a very serious Assistant Minister; I am ready myself to go to Labot Multiplication Centre. I want to assure the hon. Member that it exists. It belongs to the Ministry of Livestock Development, and it is working. On how much we are losing, that is for another day.

Mr. Speaker: Next Question by the Member for Igembe North.

Question No.864

GOVERNMENT POLICY ON ESTABLISHMENT OF NEW LAW COURTS

Mr. M'Mithiaru asked the Minister for Justice, National Cohesion and Constitutional Affairs:-

(a) what the Government policy in establishing and opening new law courts is;

(b) whether he is aware that Maua Law Courts in Igembe South District are currently overwhelmed by cases, and that about three quarters of the cases handled at the law courts involve residents of Igembe North District; and,

(c) when he will establish law courts at Lare, the Igembe North District headquarters.

The Assistant Minister for Justice, National Cohesion and Constitutional Affairs (Mr. Cheptumo): Mr. Speaker, Sir, I beg to reply.

(a) In establishing and opening law courts, the Judiciary takes into account the distance from the nearest existing courts and the number of cases emanating from an area.

(b) Maua Law Courts have four Magistrates, one Senior Principal Magistrate, one Principal Magistrate, a Senior Resident Magistrate and one District Magistrate. The station has a heavy workload and the diary is now in June 2011. Of the cases filed in Maua Law Courts, slightly below 50 per cent of them emanate from Igembe North.

There is, in our view, a justification for calling for establishment of a court in Igembe North District. The local leaders and the community may consider setting aside land for the court development and providing the physical facilities through the CDF. The Judiciary would then provide staff and the requisite equipment.

(c) The request to establish a law court in Igembe North will be considered along with the requests of other deserving areas when funds are available.

Mr. M'Mithiaru: Mr. Speaker, Sir, I thank the Assistant Minister for that candid answer that he has given, especially where he has admitted that the law courts at Maua are overwhelmed by cases. He has said that about 50 per cent of the cases at Maua, which is in Igembe South, come from Igembe North. That is an understatement - because of the distance, many people do not even go to court. Could the Assistant Minister assure this House--- He has asked if land is available, and I say that land is available. Could he tell the House whether he is ready to finance the establishment of a court at Lare during the coming financial year?

Mr. Cheptumo: Mr. Speaker, Sir, I would like to thank the hon. Member for assuring us that he will avail land to enable the establishment of the law courts. I said in part "c" of my answer that Igembe North will be considered alongside other deserving areas when funds will be available. This is an area that we can consider in the next financial year.

Mr. Chepkitony: Mr. Speaker, Sir, the Assistant Minister has said that the Government or his Ministry will establish the law courts once the community provides land. I am surprised by that answer because the Ministry should approach the Commissioner of Lands to allocate them land or if there is no land, then the Ministry should get it and build the law courts. It is not the responsibility of the community to build for the Government. The Government should get land and then build the law courts. Why can the Ministry not look for land or buy it if it is not availed by the Commissioner of Lands?

Mr. Cheptumo: Mr. Speaker, Sir, where land is available, then that is not really a problem. We are talking of a situation where land is not available. It is also the responsibility of the leaders in this country to use any resources available to buy land because provision of justice for our people is very important. So, there is no harm if a constituency sits down and allocates funds from the Constituencies Development Fund (CDF)--- Indeed, the CDF money is actually Government money. Therefore, there is no problem with that. We have no problem where land is available. However, we are talking about a situation where land is a problem.

Mr. Mwathi: Mr. Speaker, Sir, listening to the answer from the Assistant Minister, the truth of the matter is that even where there is land, there is still a problem. A case in point is my place, where the courts are operating from a makeshift structure.

Where there is land, has he set aside money to develop facilities so that these law courts can be fully functional?

Mr. Cheptumo: Mr. Speaker, Sir, the desire of my Ministry and, indeed, the Government is that Kenyans should be able to access justice in the nearest courts possible. One of the challenges we have is lack of resources to be able to avail these facilities in every other place. The Government is doing its best to ensure that these facilities are provided and we should be able to work together, as I said, with leaders to ensure that we help our people in doing so. It is the wish of the Government to do so, but the resources may not enable the Government to avail these law courts in every district or area.

Mr. Mwathi: On a point of order, Mr. Speaker, Sir. Am I in order to ask the Assistant Minister to put it categorically? This is because he is always referring this matter to the CDF money. Has money been set aside in the Ministry to provide the essential facilities? That is the question I asked. Am I in order to request that he answers it?

Mr. Cheptumo: Mr. Speaker, Sir, this financial year, Kshs400 million was set aside for development of these facilities. Therefore, the Government is able to avail resources, but they are not enough. I think I said that it is the inability of the Government to avail enough resources to build these facilities and, therefore, supplementing that with the CDF money is part of the process we would like to help in this process.

Mr. M'Mithiaru: Mr. Speaker, Sir, the Assistant Minister has said that he will establish the courts when funds are available. The availability of funds has no time frame within the Government circles and here, we are talking about timeliness in dispensing justice. Could the Assistant Minister tell this House whether the Ministry is ready to partner, if we avail funds from the CDF, they also avail some funds in the coming financial year to establish our court?

Mr. Cheptumo: Mr. Speaker, Sir, that is an issue I would like to take up with my colleague and see whether we can be able to partner with him.

Mr. Speaker: Yes, the Member for Emuhaya!

Question No.866

STALLING OF WORLD BANK FLOOD MITIGATION

Dr. Otichilo asked the Minister of State for Special Programmes:-

(a) why the implementation of the World Bank-funded Western Kenya Community-driven and Flood Mitigation Project was stopped and when will it re-start;

(b) whether he could provide a list of completed projects and their respective costs as well as a list of stalled projects and their respective estimated costs; and,

(c) what financial and management measures has the Ministry put in place to ensure that the project, once re-started, will be implemented efficiently to achieve its set goals and objectives.

The Minister of State for Special Programmes (Ms. Mathenge): Mr. Speaker, Sir, I beg to reply.

(a) The Western Kenya Community-driven and Flood Mitigation Project is an initiative of the Government of Kenya and is implemented by the Ministry of Special Programs and co-financed with the World Bank (WB) through the International Development Agency (IDA), which is a branch of the WB. This was for a sum of Kshs6.5 billion, and it was supposed to stretch for eight years. The project was declared effective on 6th August, 2007, which means that it has now been running for three years. However, it was suspended in September, 2009, based on an internal audit exercise that was conducted from July to August, 2009 by the Internal Audit Department.

The key objective of the project is to empower communities in the western part of Kenya to engage in sustainable and wealth creating livelihood activities and also to reduce vulnerability and flooding in the Budalangi area. The project covers 10 original districts, namely: Mt. Elgon, Bungoma, Vihiga, Teso, Busia, Lugari, Butere/Mumias, Kakamega, Siaya and Bondo. The cumulative disbursement from the project as at the end of 2009/2010 was Kshs1,186,812,336 which was provided by the WB while the Government of Kenya gave Kshs168, 133,653. The audit report of August, 2009 that I have mentioned, indicated that there were some financial mismanagement issues that culminated in the suspension of the project. The WB, through the Office of the Deputy Prime Minister and Ministry of Finance, through their letter dated 10th March 2011, has given the Ministry partial lifting of suspension of the project, but we have been asked to do an action plan which we have given them so that the project can be restarted.

(b) There is a summary of the number of the projects done. Teso has six, Lugari - 13, Bondo - 52, Kakamega - 0--- The completed ones are Busia which has three, Butere/Mumias - 16, Vihiga - seven, Mt. Elgon - three, Bungoma – five and Siaya – 17. The management of the Trans Nzoia; that is Budalangi has three projects while the headquarters also has three projects. That totals Kshs100 million.

Mr. Speaker, Sir, with regard to the summary of uncompleted projects per district, Teso has 30; Lugari 13; Bondo two; Kakamega 10; Busia 47; Butere 41; Vihiga six; Mount Elgon 12; Bungoma 42; and Siaya eight. The head office had zero because we have completed and the total comes to Kshs161,958,678. That is the total cost of all those projects. So far, we have disbursed Kshs75,434,317 and we are holding a balance of Kshs86,524,360.

(c) Following the freezing of the project accounts in September 2009, and the subsequent stoppage of funding by the World Bank, the Ministry recognized the need to undertake measures to correct issues highlighted in the audit report, and bring the project back on track. Consequently, the following are the measures, among many others, that we have undertaken. Refund of ineligible expenditure – that is a validation exercise is going on---

Mr. Speaker: Order! Madam Minister, how much longer do you have to go?

The Minister of State for Special Programmes (Ms. Mathenge): Mr. Speaker, Sir, it is a very long answer because it is a Kshs6.8 billion programme.

Mr. Speaker: Even then! All hon. Members both at the Front-Bench and the Back-Benchers are under duty to ensure that there is brevity. You have to try and summarize what you have to say. On average, we have 12 to 15 Questions and we are supposed to go through them in one hour. So, if you shut out that time, then you will find that the average time we are supposed to spend on each Question is five minutes; covering both the answer and supplementary questions. Minister, for example, you have

now taken six minutes. So, where is the room for supplementary questions? I think if all of us can reorganize ourselves in future, we will perform much better. The Questioners will not take that opportunity to debate or argue but to raise the questions. As for Ministers, try and read your answers, at least, a day before you come to the House. That way, you can summarize what you have to say.

Proceed and summarize what you have to say.

The Minister of State for Special Programmes (Ms. Mathenge): Thank you Mr. Speaker, Sir. I had really tried to summarize. I have the action plan which is indicating the measures that the Ministry is taking.

Mr. Speaker: Order! Madam Minister, before you left the university – and I came and found you there - you were trained to summarize. Therefore, you have no excuse.

Proceed!

(Laughter)

The Minister of State for Special Programmes (Ms. Mathenge): Mr. Speaker, Sir, I do not remember seeing you. But, anyway, it is okay.

Mr. Speaker: I was younger then.

The Minister of State for Special Programmes (Ms. Mathenge): No wonder! Okay.

I have indicated some of the measures we have taken. The project is now almost on course. We have been allowed by the World Bank to start paying the various bills that were outstanding. I hope that in the next two weeks, we will go back on board and finish. I think that is a good summary. But I can also table the document so that people can have a look at it.

Dr. Otichilo: Mr. Speaker, Sir, I would like to take this opportunity to thank the Minister for giving me a very comprehensive answer to this Question. However, there is something that I would like to know from her. She has said that the World Bank has given her a letter giving partial lifting of the suspension of the project. What is remaining to be fulfilled so that the World Bank can lift the suspension so that the project could become operational?

Ms. Mathenge: Mr. Speaker, Sir, we have actually written to the Treasury to say that they can forward our letter and whatever we have done with the world bank, and we are waiting for the Treasury to respond. I hope that in a fortnight, they will be able to do that.

Mr. Chanzu: Mr. Speaker, Sir, you have heard the Minister say that the information she is giving is long because it is a Kshs6.8 billion project. However, I would like to say that it is a Kshs6.8 billion on paper because---

Mr. Speaker: Order, Member for Vihiga. Ask your question! You have already told us what the Minister said. Now, ask your question.

Mr. Chanzu: Mr. Speaker, Sir, I would like the Minister to assure this House and this country that, once the project restarts, it is going to involve the local leadership and the local communities who are supposed to benefit from it, rather than being driven from the donor point of view.

Ms. Mathenge: Mr. Speaker, Sir, the project is not being driven by donors. I will table this document to show that the project was dealing with women and youth groups. That is not donor driven, but community driven.

(Ms. Mathenge laid the document on the Table)

Mr. Odhiambo: Mr. Speaker, Sir, I belong to a Committee of this House, the Labour and Social Welfare Committee. We visited the projects that the Minister has told this House that they have been completed. I want to bring to her attention the fact that the records she was given by those who wrote them are wrong! That is because on the ground, we saw them practically. For example, in Busia, the projects that she has said have been completed are not yet complete. Only one project has so far been completed. That is the radio station in Budalang'i. The rest are stalled projects. I would like to ask her whether what she is reading is the true reality on the ground.

Ms. Mathenge: Mr. Speaker, Sir, as far as I am concerned, yes.

Mr. Mwathi: Mr. Speaker, Sir, I have looked at the answer. Under the paragraph on disciplinary action against project staff, with regard to 14 of them, it was to separate them from the project. I do not understand what kind of discipline was that. I do not know whether the staff were removed from the project or other measures were taken. That is the only item she has said that they were separated from the project. What does that mean?

Ms. Mathenge: Mr. Speaker, Sir, their services were terminated and they are under investigations by KACC.

Dr. Eseli: Thank you, Mr. Speaker, Sir. That is the largest ever donor-funded project in those counties. It could have a very major impact on the livelihoods of the people who live there. Now that the project was suspended almost soon after inspection and many projects left halfway undone with a bit of money disbursed--- There was no follow up. Most of those projects have collapsed. So, the issue of revival is not possible. It is a matter of restarting them again. How is the Minister intending to go about restarting them, considering that some of the staff that were separated from the project have been cleared by KACC and have not been reinstated, so that they can continue with the project?

Ms. Mathenge: Mr. Speaker, Sir, on the last one, regarding the people whose services were terminated, I doubt whether we will be willing to recruit them again, if they were accused of malpractices or fraud.

On the issue of restarting the projects, we are discussing the matter with the World Bank, so that for those projects which we need to restart, maybe, they can upscale the funding, so that we can restart them. However, the last inspection I conducted on these projects showed that most of them could still be rehabilitated.

Mr. Mbadi: Mr. Speaker, Sir, from the Minister's answer about the completed projects, which amount to Kshs100.5 million, I can see a figure of Kshs10.9 million, which is 10 per cent of the total sum, indicated as HQ. I would imagine that this is Headquarters. Could she tell us exactly what those projects, which were completed at the Headquarters with 10 per cent of the total amount, are?

Ms. Mathenge: Mr. Speaker, Sir, the project that is indicated as "HQ" is actually the project in Trans Nzoia, because it was managed from the Head Office in Nairobi.

Dr. Otichilo: Mr. Speaker, Sir, you notice that this project is meant to be in Western Kenya but based on the answer that the Minister has given us, the headquarters of this project is in Nairobi. That is why they have spent over Kshs10 million on the staff based at the Headquarters in Nairobi. I want her to assure me that when this project restarts, the headquarters will move to Kakamega, which is more central in western Kenya than Nairobi.

Ms. Mathenge: Mr. Speaker, Sir, that is actually in the action plan.

Mr. Speaker: Hon. Members, that brings us to the end of Question Time and we want to move on to the next Order.

We have a number of Ministerial Statements due for delivery, beginning with the Minister of State for Special Programmes.

MINISTERIAL STATEMENTS

RESETTLEMENT OF DISPLACED PERSONS IN KENYA

The Minister of State for Special Programmes (Ms. Mathenge): Mr. Speaker, Sir, I was asked to make a Ministerial Statement on the issue of resettlement of the displaced persons of Kenya. Hon. Martha Karua and hon. Odhiambo-Mabona raised some issues, which I hope to address. First of all, I will give a brief overview, just to refresh hon. Members' memory about Internally Displaced Persons (IDPs).

A Cabinet decision was made to resettle IDPs comprising of people who formed 20 self-help groups. Those self-help groups comprising of 6,978 households purchased small parcels of land measuring 342 acres in various parts of the country, and settled in 20 tented camps, mostly in Nyandarua, Nakuru and Uasin Gishu Counties. On realising the deplorable conditions in which those IDPs were living, the Government started a resettlement programme to improve their livelihoods. That involved provision of two-and-a-quarter acres of arable land and a two-bedroom basic house per family. The resettlement villages were to be provided with social amenities such as schools, healthcare, water and security.

The 6,978 IDPs are victims who were attacked, their properties destroyed, and who even witnessed relatives being killed. These are Kenyans who underwent unprecedented trauma. The Government directive was based on realisation of the deplorable conditions in which they were living, and the decision was thus made. In addition to this, the Government also plans to settle 7,527 forest evictees and another 2,393 Turkana IDPs in Lordwar and Turkana Counties. We have been allocated 1,000 acres by Turkana and Lordwar Counties to do this.

After the resettlement programme was approved for the IDPs, the Treasury provided funds amounting to Kshs2.9 billion to the Ministry of Lands to embark on the purchase of land. A total of Kshs1,435,887,168 has been spent to date. Advertisement to sell land to Government has been done severally through the media and as a result, we have received various offers. The resettlement programme was progressing well until recently. The Ministry has so far settled 1,082 households but recently, we met some setbacks. One is in the Mau Narok, where we bought a farm of about 2,500 acres, where we hoped to settle 800 IDPs. However, it created so much conflict that the Government

decided to shelve the plan and give this land to the Kenya Medical Research Institute (KMRI) for research, so as to avert more conflict amongst tribes.

Recently, we bought land in Endebes, where we hope to resettle 255 IDPs. This one has also caused us a lot of problems. Members of Parliament in that area feel that they have IDPs, whom we should look after. However, these are not IDPs who are within my mandate to settle, and they will come under the next programme.

Mr. Speaker, Sir, I have a schedule showing the land parcels that have been bought. I do not know whether hon. Martha Karua wants me to go through it or whether she has issues to raise but I can table it.

Mr. Speaker: Table it and ensure that there is a copy for Parliament.

The Minister of State for Special Programmes (Ms. Mathenge): Mr. Speaker, Sir, I will table the document after I finish giving the Ministerial Statement.

As we speak, we are having negotiations with the people in Endebes to see the best way to resettle the IDPs, because anybody who has been to the camps will appreciate that the IDPs are living in very inhuman conditions. I would only expect somebody who does not have a heart to refuse them to be resettled in Endebes. So, I would ask all Members of Parliament to put their political agenda aside and accommodate what we are doing.

Mr. Speaker, Sir, I do not want to say more. Everybody in the country knows about the issue of IDPs. When I am told that I must consult some political parties or some leaders of tribes, I do not think it is fair. It is making our work extremely difficult. In the mean time, we are also re-verifying the IDPs in the camps to make sure that the beneficiaries of the two-and-a-quarter acres are only for persons who are genuine IDPs.

(Ms. Mathenge laid the document on the Table)

Mr. Speaker: Very well! Any hon. Members interested in clarifications? We will begin with the Member for Saboti, because Endebes is close to Saboti.

Mr. Wamalwa: Mr. Speaker, Sir, the Constitution allows Kenyans to settle anywhere in this country. I would like to know from the Minister what criteria the Government used in choosing the parcels of land they have purchased in different parts of the country, because there are certain areas which have historical problems; these are places like Trans Nzoia, where we have had IDPs from 1992 and 1997. We have the IDPs of the 1960s, who were displaced by the colonialists and who are called “squatters”. What criteria were you using in choosing those areas, and what do you intend to do to settle IDPs other than the ones you are proposing to settle in Endebes?

Mr. Speaker: Yes, Member for Gwasi; Minister, just take notes.

Mr. Mbadi: Mr. Speaker, Sir, I would also like to appreciate the effort that the Minister is making to resettle the IDPs. I would also like to acknowledge the fact that we need to have our brothers and sisters settled. The question that keeps on coming is: Before December, 2007, these IDPs were living somewhere. Where is the land on which they were living? Can they be taken back there? If not, can the Government repossess that land, because it belongs to these individuals, and sell it? Can the Government think of getting hold of the land on which these particular individuals were living before 2007, and sell it as we look for land for them elsewhere, if they cannot be taken to where they came from?

Mr. Njuguna: Mr. Speaker, Sir, destructive politics have been introduced into the resettlement of the innocent IDPs in some parts of our country. Could the Minister clearly indicate to this House what the Government is doing about this negative position, which is detrimental to the welfare of the IDPs who have been out for the last three and a half years?

Ms. Karua: Mr. Speaker, Sir, I want to thank the Minister for her answer, but also draw her attention to the fact that under Article 7(2)(d) of the Rome Statute, deportation or forceful transfer of population is a crime. Those who brutalized populations after the 2007 elections intended to forcefully get them out of their homes and they managed. When the Government adopts a policy of resettling them outside the areas where they were, it is being complicit in the offence of deportation. Could the Minister tell us why the Government cannot find land in the area or the neighborhood where each IDP came from? If they came from Molo, resettle them in the Molo area. If they came from Kuresoi, resettle them in the Kuresoi area. Otherwise, the Government is aiding and abetting and giving the impression that all you need to forcefully remove populations from an area is to create problems and the Government will assist you in transportation. Could she consider giving these people money? They had already found their own land which was inadequate and therefore, the conditions deplorable. There are people who are enterprising and can buy their own farms. Why not give them the cash and then they will buy their own farms? Then you do not have to be transporting people contrary to the law.

Mr. Olago: Mr. Speaker, Sir, there is no doubt that arising from the

(Sound interference)

Mr. Speaker: Order, hon. Members! Let us hear the Member for Kisumu Town West. Proceed!

Mr. Olago: Mr. Speaker, Sir, there is no doubt that arising from the violence of 2007/2008, Kenyans have now decided to take a path of reconciliation and tolerance with true spirit of the Constitution that anybody can live anywhere they want. So, following up what hon. Karua has said, the Ministry is being very insensitive to other Kenyans because the areas where you choose to resettle the IDPs are areas where there are existing squatters. Therefore, you are going to create even more conflict. Under those circumstances, could the Ministry, therefore, make a concise decision to resettle those people where they were removed by force and all Kenyans will accept?

Mr. Wambugu: Mr. Speaker, Sir, could the Minister clarify the measures the Government is taking, especially to the IDPs who were around Kiambaa Church, who decided to go back and resettle where they used to belong? What assistance is the Government giving to those IDPs, especially on security issues, so that they can live in harmony with everybody else?

Dr. Eseli: Mr. Speaker, Sir, the issue of displacement of families at around election time is historical from 1992 to 1996, onwards. Many families were displaced from Mount Elgon and settled on markets in Bungoma. Many families were displaced from Trans Nzoia and settled on markets. We understand that the families that were displaced in 2007 are also equally living in deplorable conditions. Could the Minister consider coming up with a comprehensive plan of resettling all those people, so that it

does not raise anger among those other people who were displaced much earlier and are still landless to date?

Mr. Kigen: Mr. Speaker, Sir, what is the Minister going to do to ensure that she gets the participation of the leadership of the areas where those IDPs are being settled? If you look at the resistance, it is coming from the leaders as a result of what they are hearing from their own people.

Mr. Ngugi: Mr. Speaker, Sir, I want to commend the Minister for her elaborate answer. The issue of IDPs is very emotive.

Mr. Speaker: Order, Member for Kinangop! We share the time that we have. Let us use it as efficiently as possible.

Mr. Ngugi: Mr. Speaker, Sir, the Minister is in the same Government with other leaders who are agitating and exciting their constituents not to accept the IDPs. What is she doing being in the same Government with such leaders, who are heartless?

(Sound interference)

Mr. Speaker: Order! I do not know what is happening to our sound system. Sergeant-At Arms, maybe, you want to ascertain what that is?

Mrs. Odhiambo-Mabona: Mr. Speaker, Sir, given that His Excellency the President has shown a good example by leading several leaders into a meeting of peace and reconciliation and many groupings have been formed towards peace and reconciliation, what is the Minister doing to ride on that peace and reconciliation agenda to take back the people who were displaced from the Rift valley back there?

Mr. Speaker: Proceed, Minister! From that last request for clarification, one will notice that we are now beginning to be repetitive. So, proceed, Minister!

The Minister of State for Special Programmes (Ms. Mathenge): Mr. Speaker, Sir, on the issue of peace and reconciliation, we are actually riding on it. A lot of people who were displaced especially from Uasin Gishu, have moved back to their land. We have reconstructed their houses which were burnt down and even given them livelihoods, so that they can move on with their lives. However, the persons who were in the IDP camps are the people, like I have said in this House before, who were not actually farmers. They were business people in the towns. The initiative they showed was that they wanted now to go into farming and that is why we looked into the possibility of settling them as small-scale farmers. We only pushed them into what they indicated that they wanted do.

Mr. Speaker, Sir, on the issue of money, we do not want to give money to the Internally Displaced Persons (IDPs) to buy land. If you remember, when the Kshs10,000 and Kshs25,000 was given out, it brought up a lot of issues amongst the IDPs. We do not want to go that way again. This is a matter that is actually under investigation and we would rather go with what the Government has set as a policy to resettle these people. I will also bring in an IDP policy so that we can also address the issue of the IDPs regardless of how they were displaced. This will enable the Government to have a mechanism of addressing this issue. I hope we will have it in the next fortnight if not sooner. I think that addresses almost all the questions that were raised, because they were almost the same.

Ms. Karua: On a point of order, Mr. Speaker, Sir. I asked a specific question based on Article 7(2)D on deportation. I specifically said that the Government is aiding and abetting deportation. This is because if you are from one area and you have been expelled due to violence and the Government goes and settles you elsewhere, it is aiding and abetting the original crime. Is the Minister in order not to answer that very specific question? Why can they not find farms in the areas those people came from, so as not to aid and abet deportation?

The Minister of State for Special Programmes (Ms. Mathenge): Mr. Speaker, Sir, unfortunately, I also cannot force people to go back where they came from because of various reasons. Some of them are really traumatized because of what happened in those areas. So, whether we talk about peace or not, if you watched your husband being killed or your daughters being raped, it is unlikely you would like to go back there. So, we have to look for an alternative.

Mr. Kutuny: Bw. Spika, sijui kama Waziri atakubali nimuongeze habari.

Mr. Speaker: Je, mhe. Waziri unakubali kufahamishwa zaidi?

The Minister of State for Special Programmes (Ms. Mathenge): Yes, Mr. Speaker, Sir.

Mr. Speaker: Amekubali umsaidie.

Mr. Kutuny: Bw. Spika, itafahamika kwamba Serikali katika Kaunti ya Uasin Gishu imewajengea nyumba zaidi ya 12,000 waathiriwa wa vita vya kisiasa vya mwaka wa 2007/2008. Kati ya hizo nyumba 12,000, zile ambazo zinakaliwa kwa sasa ni 7,500. Nyumba zaidi ya 4,000 hazina wenyewe. Maswala mengi hapa yanaulizwa ni kwa nini wale watu hawajarejea. Ningependa Waziri aeleze Bunge kwamba tayari Serikali imewajengea nyumba za kutosha lakini labda kuna sababu zingine.

Mr. Speaker: Nidhamu, Mbunge wa Cherengani! Ulisimama ukitaka kumsaidia mhe. Waziri kwa kumfahamisha zaidi na sasa unamuuliza afafanue. Kwa hivyo, umekosa nidhamu na siwezi kuruhusu jambo hilo. Siwezi kuruhusu kwa sababu nilikupa nafasi umsaidie Waziri kwa kumfahamisha na sasa umepotea.

Mr. Kutuny: Bw. Spika, nimemsaidia kwa kumfahamisha kwamba Serikali imejenga nyumba.

Mr. Speaker: Umekosa nidhamu! Usizidi hapo umefika!

Order, hon. Members! That then brings us to the end of that Order, except for requests now for Ministerial Statements.

What is it the Member for Limuru?

POINTS OF ORDER

DISBURSEMENT OF INFORMAL SECTOR FUND

Mr. Mwachhi: Mr. Speaker, Sir, I rise on a point of order to seek a Ministerial Statement from the Deputy Prime Minister and Minister for Finance with regard to the fund for financial inclusion of the informal sector.

Mr. Speaker, Sir, in his Statement the Minister should clarify the following:-

1. State who are eligible for the fund and the criteria used in determining the beneficiaries of the same.

2. Which are the financial institutions that will disburse the money and how were they identified? He should also indicate the percentage interest to be charged by each of these institutions.

3. Which institution will utilize the Kshs800 million for capacity building and how will this be distributed within the said institutions?

4. Whether the Ministry has approved membership registration charges which currently are being levied by some district steering committees in compiling their database for the applicants.

NUCLEAR AND RADIOACTIVE SAFETY IN JAPAN

Mr. Olago: Mr. Speaker, Sir, for nearly one month now, I have been seeking for a Statement from the Minister for Energy, in respect of nuclear and radioactive safety in Japan. I have held brief discussions with the Minister for Public Health and Sanitation and she seems to have carried out some consultations with the Minister for Energy. Maybe she is willing to tell the Speaker about it.

Mr. Speaker: Madam Minister for Public Health and Sanitation, do you have a position on this matter?

The Minister for Public Health and Sanitation (Mrs. Mugo): Mr. Speaker, Sir, that is correct. We have consulted with the hon. Member. I have also had consultations with the Minister for Energy and we agreed that we look at both answers and marry them. The Radiation Protection Board, which is the national competent authority on matters of radiation, safety and security of radioactive and nuclear materials, falls within the Ministry of Public Health and Sanitation. Therefore, we asked the hon. Member to agree that I bring this Statement next week after marrying it together with also the answer from the Ministry of Energy, if it pleases you.

Mr. Speaker: The hon. Member has alluded that he is agreeable. So, bring that Statement on Thursday, next week at 2.30 p.m.

The Minister for Public Health and Sanitation (Mrs. Mugo): Thank you, Mr. Speaker, Sir.

Mr. Speaker: With respect to the request by the Member for Limuru, I do not know if the Deputy Prime Minister and Minister for Finance is here.

The Deputy Prime Minister and Minister for Finance (Mr. Kenyatta): Mr. Speaker, Sir, I will bring the Statement on Tuesday, next week in the afternoon.

Mr. Speaker: It is so directed.
What is it, Member for Gwassi?

STATUS OF REVENUE ACCOUNT AT TREASURY

Mr. Mbadi: Mr. Speaker, Sir, on Thursday, last week, I asked for a Ministerial Statement from the Deputy Prime Minister and Minister for Finance with regard to the revenue account kept at the Ministry. I was promised by the Government, through the Deputy Leader of Government Business, that it would be brought this afternoon. I did not get any indication as to why that did not happen.

Mr. Speaker: Order! The Deputy Prime Minister and Minister for Finance actually came to the Chair and intimated that he would have been ready with the

Statement, but as you can see, we have run out of time. So, we will have to take this on Wednesday morning if that is fine with you, Mr. Deputy Prime Minister and Minister for Finance. The Member for Gwassi, please, be available on Wednesday morning. That then brings us to the end of that Order!

I am sorry, we have one more Statement which is routine and it must come now!

BUSINESS FOR THE WEEK COMMENCING
TUESDAY, 3RD MAY, 2011

The Minister for Transport (Mr. Kimunya): Mr. Speaker, Sir, pursuant to the provisions of Standing Order No.36(4), I take this opportunity to make the following Statement with regard to the business for the week commencing Tuesday, 3rd May, 2011.

Mr. Speaker, Sir, the House will continue with the debate on the following two Bills; namely, The Independent Electoral and Boundaries Commission Bill, Bill No.6 of 2011, currently under debate and The Salaries and Remuneration Commission Bill, Bill No.8 of 2011.

Mr. Speaker, Sir, should debate on the foregoing Bills be concluded today, then the two Bills will be taken to the Committee Stage, hoping that the House Committee on Justice and Legal Affairs will have had the opportunity to consider them.

Additionally, the following two Bills will be considered for the Committee Stage. The Nurses (Amendment) Bill, Bill No.25 of 2010 and the Limited Liability Partnership Bill, Bill No.21 of 2010.

Mr. Speaker, Sir, also to be considered for debate is the Report on the Budget Committee on the Budget Policy Statement for the year 2011/12 laid on the Table of the House on Wednesday, 13th April, 2011 and which is on the Order Paper today and the Report on the Departmental Committee on Agriculture, Livestock and Co-operatives on the challenges facing the sugar sector in the country that was laid on the Table of the House on Wednesday 13th October, 2010.

On Wednesday, the House is expected to conclude debate on the Motion by Mr. Elias Mbau to the Ministry of Medical Services urging the Government to waive mortuary fees that was interrupted yesterday at the conclusion of the morning session.

The House will also consider a party sponsored Motion by Mr. Ababu Namwamba urging the House to establish a Parliamentary Select Committee on the cost of living.

Finally, the House Business Committee will convene on Tuesday, 3rd May, 2011, to consider additional business for the rest of the week.

Thank you, Mr. Speaker, Sir.

Mrs. Odhiambo-Mabona: On a point of order, Mr. Speaker, Sir. Following the brief that has been given by the Deputy Leader of Government Business, he has mentioned that the Committee on Justice and Legal Affairs will be dealing with this matter next week. I wish to draw to your attention the fact that the ODM party brought to the Speaker, quoting Standing Order No.176, where it removed two hon. Members of the Committee on---

Mr. Speaker: Order, hon. Odhiambo-Mabona. I have spoken to this matter many times in the recent past. Much as there is a letter which was written to the Speaker with respect to the Committee on Justice and Legal Affairs, the import of it is that the ODM

party is asserting that it has removed from the membership of the Committee, certain Members of that Committee. That matter was referred to the Liaison Committee, which according to the Standing Orders, is the rightful organ that will deal with the removal and operations of Committees. Before the Speaker gets a report from the Liaison Committee, and I am aware that Mrs. Odhiambo-Mabona is aware that this is what is happening---. So, you have to wait until the Speaker has a report of the Liaison Committee.

The Speaker and, indeed, the House expects, as I said, over the past two days that the Committee will be able to deal with matters pertaining to business that is before it, including the notice that was served by eight hon. Members. To want to draw the Speaker in the feuding between parties and composition of Committees, I think is wrong. I, as the Speaker, I am not about to order and direct by a communication from this Chair, that certain hon. Members have been removed from Committees. That is not how I understand the Standing Orders.

As a matter of fact, I have already raised this matter in the House Business Committee. If you look at your Standing Orders, they will be telling you what the House Business Committee does. So that I repeat it for those who have not heard me, matters pertaining to the constitution of committees or otherwise – otherwise will include disbandment of committees – belong to this House.

It is this House which constituted various Committees. It is this House which can unmake those Committees. Really, that is the way we will have to go. To want to offload it at the Speaker's Chair, I am afraid, you are not right. We have precedence by which we are governed and we will follow those precedents very strictly.

Mrs. Odhiambo-Mabona: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: Proceed. I hope you have heard me.

Mrs. Odhiambo-Mabona: Thank you, Mr. Speaker, Sir. I have heard you clearly and I have heard you in the past clearly. I was not going to raise that point. The point I was going to raise was to request that the Liaison Committee deals with the matter. Since the matter was written, it is more than two months. Our concern is; why is the Liaison Committee failing to act on the matter?

Mr. Speaker: That I can deal with administratively. I will check, away from this House, as to where the Liaison Committee has reached with this matter. I will receive progress report from them. If need be, I will advise the House Business Committee which will, in turn, address the matter appropriately, so that the House becomes aware as to what the progress is.

Mr. Mbau: On a point of information, Mr. Speaker, Sir.

(Laughter)

Mr. Speaker: Hon. Mbau, that obviously cannot stand.
Hon. Members, that brings us to the end of Order No.7.
Next Order!

MOTION

ADOPTION OF REPORT ON BUDGET POLICY STATEMENT

THAT, this House adopts the Report of the Budget Committee on the Budget Policy Statement for the year 2011/12 laid on the Table of the House on 13th April, 2011, subject to deletion of the words “In this regard, the ceiling of the PSC for development budget should be Kshs2.0 billion which is 0.62 per cent of the national development budget” and insertion of the words “In this regard, the ceiling for the PSC for development budget should be Kshs2.4 billion which is 0.65 per cent of the national budget” in place thereof; and inserting a new recommendation as follows:- “(k) That pursuant to Article 241 of the Constitution, the budget for the Ministry of State for Defence should be separated to reflect allocations to each of the three arms of Defence Forces and General Administration”.

(Mr. Sambu on 21.4.2011)

(Resumption of Debate interrupted on 21.4.2011)

Mr. Speaker: Chairperson of the Budget Committee, you have 45 minutes to go.

Mr. Sambu: Mr. Speaker, Sir, I will start from where I left on the concerns and observations of the Budget Committee. On the shilling exchange rate, the Budget Policy Statement (BPS) asserts that despite the stable exchange rate exhibited by the shilling in the year 2010, this weakening against all major currencies in the first quota of 2011 is attributed to rising oil prices.

[Mr. Speaker left the Chair]

*[The Temporary Deputy Speaker
(Prof. Kaloki) took the Chair]*

However, it failed to spell out strategies that the Government used to maintain creditability in exchange rate regime.

Mr. Temporary Deputy Speaker Sir, the public debt has hit 50 per cent of GDP. The focus of 2011/12 and medium term is reducing it to about 42 per cent of GDP. The Committee suggested that the public debt must be reduced to sustainable levels of not exceeding 42 per cent by 2013/14.

Thus the Deputy Prime Minister and Minister for Finance should reduce the net domestic borrowing to sustainable levels, then provide for contingent liabilities. This is achievable with the concerted efforts in taming run away public expenditure; particularly consumption expenditure should be addressed.

The BPS reports on the poor performance of revenue as well as under performance of Appropriation-in-Aid (A-in-A) raised and used at source by Ministries. To this end, the Committee recommends that measures be instituted and some of the A-in-A be reverted back to revenue which should be collected and remitted to the Exchequer.

Mr. Temporary Deputy Speaker, Sir, secondly, the BPS projects that the 2010/11 revenue target is unlikely to be achieved just like in the Financial Year 2009/10. The

Committee is concerned that the BPS has further projected revenues based on an overly optimistic performance of macro-economic variables such as high GDP growth rate and a lower inflation rate.

Mr. Temporary Deputy Speaker, Sir, it is important to note that the Government has continued to meet its revenue targets, at least, for the last two consecutive fiscal years.

Thirdly, the issues affecting revenue performance must be urgently addressed. Issues that need to be addressed include: Challenges with taxing the informal sector, mechanisms to counter transfer pricing manipulation and addressing general borrowing nets related to tax compliance.

Mr. Temporary Deputy Speaker Sir, it is interesting to point out that the reforms and modernization programme undertaken by the Kenya Revenue Authority (KRA) has reached the peak and cannot yield any additional revenue.

Lastly, as relates to expenditure, the Committee observed that the underlying policy on expenditure is not anchored on priority areas such as flagship projects of Vision 2030. Overall, the expenditure drivers are awake and projections, in particular, on development expenditure, may be unrealistic.

Mr. Temporary Deputy Speaker Sir, number five, on performance of externally financed programmes, the BPS indicates that the performance of the development budget currently financed through external sources is below par. The BPS attributes this to lengthy and, at times, unnecessary disbursement steps and cumbersome procurement procedures. Those challenges are further compounded by insufficient understanding of donor policies by project personnel. The Ministry of Finance participates in the contractual process of donor funds and, as such, has a responsibility to ensure that their inclusion in the budget and absorption by implementing agencies is systematic. To this end, the Committee observed that, despite the recognition of the challenges leading to poor performance of externally funded programmes, no measures exist to show commitment by the Ministry to streamline the execution of externally funded programmes.

Two, the Committee recommends that in the upcoming budget, adequate information be provided on total commitments by donors, and what has been absorbed. The development budget, in particular, with a component of external funded projects, should take cognizance of the absorption capacities of ministries.

Lastly, the need for transparency and accountability in relation to grants in support of institutions with no development votes cannot be over-emphasized. Disclosure by development partners on various projects is necessary. Lastly, the lack of a coherent external aid policy has resulted in un-coordinated investments in projects that are not of immense priority to the Government.

(Loud Consultations)

Mr. Temporary Deputy Speaker, Sir, can I call for your protection from the loud consultations?

The Temporary Deputy Speaker (Prof. Kaloki): Proceed, hon. Sambu. Members are listening.

Mr. Sambu: Thank you, Mr. Temporary Deputy Speaker, Sir. Number six, on deficit financing and public debt, the BPS does acknowledge that efforts and measures will be required to reduce debt and, particularly, domestic debt. The Committee supports the principle of reducing public debt. However, it is concerned that priority expenditures, including the implementation of the new Constitution, have not been factored in the Budget.

Number seven is on resource allocation and criteria. It is a requirement under the Fiscal Management Act and the Standing Orders that the BPS provides the criteria to apportion available resources into implementing programmes and projects. However, the Committee did observe that the criteria---

Dr. Nuh: On a point of order, Mr. Temporary Deputy Speaker, Sir. The presentation by the hon. Member is very important. We are trying to critique the budget policy statement which was tabled recently. The recommendations he is reading here should be taken very seriously by the Government. The Government side is busy consulting.

The Temporary Deputy Speaker (Prof. Kaloki): Order, Dr. Nuh! You are out of order. The Government side is here and is listening. Proceed, hon. Sambu!

The Assistant Minister for Youth Affairs and Sports (Mr. Kabando wa Kabando): On a point of order, Mr. Temporary Speaker, Sir. Truly, we are very conscious and we are listening. However, it is also true that we could be consulting on other issues because the hon. Chairman is actually reading the report word by word and sentence by sentence. To give credit to this House, this Report was submitted last week. It will pay dividends to the Chairman's contribution if he just highlighted the key areas and summarized without reading the document, word by word.

The Temporary Deputy Speaker (Prof. Kaloki): All right! Hon. Sambu, proceed. You can highlight the key areas from the Report.

Mr. Sambu: Mr. Temporary Deputy Speaker, Sir, the Report, itself, is very big. In fact, those are the highlights. These are the concerns of the Committee. But the actual Report, itself, as he has quite rightly said, has been tabled before this House. So, I am looking at the highlights and that is all.

Mr. Lessonet: On a point of order, Mr. Temporary Deputy Speaker, Sir. My concern is that the Budget Committee, of which I am a member, tabled our response to the Budget Policy Statement (BPS). My concern is that when I look at the attributes of the Members of the Government side who are present, I do not see any one from the Ministry of Finance. It is a serious issue.

The Temporary Deputy Speaker (Prof. Kaloki): Order! We have heard your point of order and the Government side is comprised of all Ministers. They are listening and taking notes.

Mr. Lessonet: Mr. Temporary Deputy Speaker, Sir, I agree that this is a very serious Government side. Yesterday, when he was responding to the Interim Independent Electoral and Boundaries Commission, the Minister for Justice, National Cohesion and Constitutional Affairs was continuously present. Can they go and look for the Minister for Finance---

The Temporary Deputy Speaker (Prof. Kaloki): Order! The Deputy Leader of Government is in the House and he is listening. The Deputy Prime Minister is also in the House. So, hon. Sambu, proceed with your deliberations.

Mr. Sambu: Thank you, Mr. Temporary Deputy Speaker, Sir. I would like to emphasize that I am not giving personal views. I am giving the views of the Committee. So, on resource allocation criteria, it is a requirement that under the Fiscal Management Act and the Standing Orders, the Budget Policy Statement (BPS) provides the criteria for apportioning available resources into implementing programmes and projects. However, the Committee did observe that the criteria provided by the BPS are too broad and unclear with no specification of total ongoing mandatory expenditures. For example, it does not show the total resources to be used on on-going programmes and the amounts allocated to those programmes.

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

The Temporary Deputy Speaker (Prof. Kaloki): Mr. Sambu, please, proceed! Continue making your contribution!

Mr. Sambu: Mr. Temporary Deputy Speaker, Sir, it is clear that the criteria given do not mirror what is envisaged in the Fiscal Management Act. The Committee recommends that there is need to work on certain areas that can be subjected to the unit cost. Further austerity measures need to be identified to curb expenditure on foreign travel, domestic travel, hospitality and rehabilitation.

On the question of the in-year re-allocations, the Committee observed that the Budget Policy Statement does not give any administrative guidelines on in-year variations in the Budget. The Committee notes that there are no legal guidelines for reallocations, and this has provided room for unnecessary variations within various vote heads. With this trend being a common occurrence over the years, the Committee, therefore, recommends that reallocation should be pegged to no more than eight per cent of the total Vote Heads in any Ministry. This will ensure that in-year pressures from Ministries on the Ministry of Finance are contained.

Mr. Temporary Deputy Speaker, Sir, on other concerns, the first concern is unemployment. Unemployment has remained a major problem in Kenya. Indeed, it is a time bomb. Vision 2030 targets the creation of about 800,000 employment opportunities annually, but we rarely meet this target. The Budget Policy Statement (BPS) has not provided specific and sustainable policies to facilitate this.

On population growth, Kenya's population growth rate currently stands at about three per cent. A country with such a growth rate is highly likely to overstretch public resources on public infrastructure like education and health. The BPS, therefore, needed to address the issue of population growth as a matter of priority.

On drought and famine, a review of the BPS finds no substantive ideas on how food security, a key millennium development goal is to be enhanced. The issue of adequate water and its impact on sustainable agro-business as a strategy to reduce poverty and increase food sufficiency is inadequately addressed in the BPS. The Committee, therefore, recommends that the budget should make adequate provisions for building required strategic food reserves, which should take into consideration food diversity in the country.

Mr. Temporary Deputy Speaker, Sir, on Economic Stimulus Programme (ESP) the Committee observed that the BPS indicates winding up of ESP. However, the Committee recommends a systematic evaluation of the projects under this programme, with an objective of ascertaining their suitability and impact. Further, this will form a

basis for implementing a future ESP. Overall the Committee recommends a gradual approach in phasing out the stimulus projects.

Looking at the other sectoral issues, the Committee presented a detailed sectoral report, which has been attached to this Budget Committee Report. The Budget Committee has noted that a number of the departmental committees are asking for more resources for their Ministries. However, given the strict Budget constraints, which require reduction of expenditures to sustainable levels, the Committee is of the view that only a few be considered, based on prioritization due to constraints on the resources envelop.

Highlights of some of the sector issues are as follows.

(i) On the physical infrastructure, Members are concerned that the continued non-existence of policies and enabling legal framework continue to retard positive growth. The fragmented pieces of legislation have proved incapable of steering the sector to a growth trajectory. Equally worrying is the slow pace of implementing of infrastructure flagship projects identified in Kenya's development blueprint called Vision 2030---

*(Proceedings were interrupted
by external signal)*

The Temporary Deputy Speaker (Prof. Kaloki): Clerk-at-the-Table, what is happening?

Order, Mr. Sambu! Please, turn the microphone off and resume your seat!

*(Mr. Sambu turned off the microphone
and resumed his seat)*

Clerks-at-the-Table, could you determine what is happening with the sound system?

Mr. Sambu, please, proceed!

Mr. Sambu: Mr. Temporary Deputy Speaker, Sir, equally worrying is the slow pace of implementing the infrastructure flagship projects identified in Kenya's development blue print, Vision 2030. The pace is slow in developing the following projects: Lamu Port, light railway line around Nairobi, standard gauge railway line, among others. Policies and actions towards development and distribution of alternative energy sources are not clear, yet this country has unpredictable water source to continue relying on hydro-power. However, hydro-power is expensive in addition to be being in short supply, thereby attributing to under-performance of useful programmes such as the Rural Electrification Programme (REP).

The Committee is also concerned over the ever increasing fuel prices, which negatively impact on the wellbeing of Kenyans. The petroleum products price controls introduced by the Minister of Energy in December 2010 have largely failed to meet their intended objectives. As we debate this Report today, Members are aware that Kenyans are paying a high transportation cost. Kenyans would have been saved this expense if we had a well developed railway system.

Mr. Temporary Deputy Speaker, Sir, on the human resource development sector, Members are concerned that despite the huge resources directed to the education sector, the ratio of pupils to teachers in public schools in the rural areas remains a challenge,

leading to much skewed outcomes and compromising quality. There is no strategic policy direction in the BPS to correct this gaping imbalance.

Given that the education sector was a major beneficiary of the ESP, most projects are on-going and the Government plan to wind up the ESP funding may be counter-productive, and may contribute to wastage of resources owing to incomplete projects. In addition, there is no harmony in the distribution of ICT infrastructure in schools, thereby jeopardizing the desire to roll out ICT in all schools. The Committee is also concerned about the lack of labour sector national policies, including employment policy, the industrial training policy and the attachment policy, among others. This should be prioritized to help this country achieve enhanced employment of the youth and stability in growth.

In this regard, the Committee proposes an urgent skills inventory, so that policies on labour, employment and education can be adequately linked and prioritized.

The committee is further concerned that the referral hospital systems in the country are near collapse. Serious challenges are negatively impacting the performance of the country's two referral hospitals, such as obsolete equipment, dilapidated infrastructure and de-motivated staff due to low compensation, among other reasons. There are also concerns regarding hiring of ambulances by the Ministry of Finance, which has proved inefficient, together with continuation of Economic Stimulus Package Programmes in the health sub-sector.

On public administration and governance issues, there is need to come up with a strategy to respond to increasing offences against morality and economic crimes. Consideration of regional trends in the distribution of security sources is paramount.

On environment, water and irrigation, there is need to fast track policy on increasing forest cover to 10 per cent. There should also be policy on water harvesting and storage. Moreover, sector policies in line with the new Constitution must be finalized, for example, the mineral policy, the irrigation and drainage policy and land reclamation policy. On special programs, there is dire need for disaster management policy framework and an evaluation mechanism on what qualifies for emergency intervention, since this is an area with huge financial implications.

Mr. Temporary Deputy Speaker, Sir, on agriculture and rural development, the Committee feels there is need to address infrastructural challenges by working with other stakeholders to invest in priority rural infrastructure projects, institutionalize input cost reduction through farmer-led and owned input, largely supply and distribution facility. A policy intervention on pre and post harvest is also urgent.

On election process, the Committee observed that 2011/2012 will be the year to put in the necessary logistics for carrying out the next general election. After careful review of the ceilings given to the Interim Independent Electoral Commission (IIEC), it was established that financial requirements for carrying out the national election in line with the new Constitution were totally inadequate. The Commission requested for Kshs22.5 billion but it was allocated Kshs5 billion. The Committee, therefore, proposes the allocation to be increased considerably in order to correspond to the increasing mandate of the Commission.

With regard to the Parliamentary Service Commission and the Judicial Service Commission, the new Constitution provides for a direct submission to Parliament of the budgets of the Parliamentary Service Commission and the Judiciary. Therefore, it is

expected that the BPS would provide firm ceilings for the two independent institutions. The Committee, while holding separate meetings with the two Commissions, reviewed ceilings for the institutions to reflect ongoing reforms and anticipate the changes as provided for in the Constitution. The Committee established that the Judiciary requires more resources but reprioritized to accommodate the ceilings as provided by the Treasury Circular. However, for the Parliamentary Service Commission, the development ceiling with a resource requirement of Kshs800 million for the construction of an office block was not considered. The Committee is concerned and proposes that the Parliamentary Service Commission implements the project in phases, given previous challenges---

POINT OF ORDER

INVESTIGATION INTO THE CAUSE OF EXTERNAL SOUND INTERFERENCE

(External sound intrusion)

(Several hon. Members stood up in their places)

The Temporary Deputy Speaker (Prof. Kaloki): Just a minute Mr. Sambu! Mr. Sambu, just resume your seat!

The Minister for Justice, National Cohesion and Constitutional Affairs (Mr. M. Kilonzo): On a point of order, Mr. Temporary Deputy Speaker, Sir. This is a very serious breach of the functions and mandate of this House and I would request that it be investigated. It is not enough to merely ask the hon. Chairman to sit. This is a very serious breach because it also means that, in addition to us hearing what they are saying, it means that somebody is monitoring us other than using the normal processes. The Parliamentary Powers and Privileges Act and the Constitution itself are being violated and we would want serious directive on that.

Thank you, Mr. Temporary Deputy Speaker, Sir.

The Assistant Minister for Livestock Development (Mr. Duale): On a point of order, Mr. Temporary Deputy Speaker, Sir. I want to concur with my colleague that there is a serious security breach on Parliament. This started when the hon. Speaker was in the Chair at around 4 O'clock. This can tell us a lot in terms of whether other agents within this country or outside this country are monitoring the activities of the National Assembly. So, we will call for a thorough investigation to be carried out.

Mr. Ogindo: On a point of order, Mr. Temporary Deputy Speaker, Sir. A Parliamentary session is a solemn ceremony. We are doing very critical service to this nation and the manner in which we have been encroached is very serious.

Mr. Temporary Deputy Speaker, Sir, I would suggest that you adjourn briefly to find out what is happening.

The Minister for Nairobi Metropolitan Development (Mr. Githae): On a point of order, Mr. Temporary Deputy Speaker, Sir. Parliament is a public place and we even have a public gallery here. Everything we say is taped here. It is like saying that you are being taped if you are in Uhuru Park. This is a public place. The only "thing" is the interference.

Mr. Temporary Deputy Speaker, Sir, that is a technical malfunction and it can happen anytime and even to the most sophisticated equipment. It has even happened in the White House. I think the problem is over and we better proceed.

Dr. Nuh: On a point of order, Mr. Temporary Deputy Speaker, Sir. I would even have no problem with the interruption because I think the interruptions are coming at a good time. We have even tried to draw your attention to the reluctance by the Government side to even take note and heed what we are saying.

Mr. Temporary Deputy Speaker, Sir, you can see that even the technocrats from the Treasury are missing in action. This is the case and yet they know that hon. Members have many problems even in their constituencies. They have been consulting may be because they have been sidelined in the recruitment of the police and Administration Police. We expect them to be taking notes of our critique of the budget policy statement. I think you should call the Government Side to action and, at least, to take this Debate seriously.

The Temporary Deputy Speaker (Prof. Kaloki): Order! Thank you. Hon. Members, those are valid concerns brought to this House. Definitely, we had sound interference, but this does not mean that we cannot continue doing our Business in this House. We will proceed to do that but meanwhile the House Broadcasting team, which is a Committee of this House, should be able to investigate and come up with a report to this House in the next two weeks to determine the cause of the sound interference. However, hon. Members, also note that our debate in this House is covered live and definitely, we are likely to have, once in a while, some issues with the system. However, we will be able to get that report.

Otherwise, let us proceed with the deliberation from Mr. Sambu.
Proceed!

(Resumption of Debate on Motion)

Mr. Sambu: Mr. Temporary Deputy Speaker, Sir, as such, the Committee recommends that the Treasury grants Parliament an additional Kshs400 million to commence the project in the coming financial year. Having gone through the main concerns and observations of the Committee, I now turn to specific recommendations of the Committee.

(a) Kenya, currently, faces a myriad of challenges; the compelling ones being the drought ravaging parts of the country, rising food and oil prices, unemployment, poverty and a growing domestic and national debt burden. The four mentioned issues are, indeed, extraordinary in nature and, therefore, call for extraordinary targeted policy interventions to tackle current and envisioned challenges. This is an opportunity for the Government to pronounce tough fiscal measures with limited political implications and resist the temptation to present populist measures. Further, the Government should desist from granting transfers and subsidies to lower income groups likely to be unsustainable and to distort the market. To this end, the Committee recommends and urges the House to resolve that the Deputy Prime Minister and Minister for Finance makes adequate provisions in the 2011/2012 Budget for bridging the required strategic food reserves which should factor food diversity in the country. In addition, the Committee proposes that, in the coming budget, a Livestock Development Fund be set up with an initial

allocation of, at least, Kshs1 billion. That Fund should be utilized for livestock off-take and restocking initiatives.

(b) That the Deputy Prime Minister and Minister for Finance comes up with an appropriate regulatory framework to rein in the commercial banks to reduce the lending rates in line with the best practice and narrow the gap between the lending and deposit rates.

(c) The Deputy Prime Minister and Minister for Finance puts in place measures to ensure that the required levels of input cover is maintained at the stipulated four months level at all times, so as not to expose the country to any adverse external shocks.

(d) The Deputy Prime Minister and Minister for Finance reduces the leakage in Appropriation-in-Aid by urgently reviewing all appropriations-in-Aid and identify those that can be turned into revenue to increase efficiency and accountability. In particular, in 2011/2012, the Treasury should consider turning Immigration and Judicial related A-in-A into revenue.

(e) The Deputy Prime Minister and Minister for Finance limits the recurrent ceilings for the Parliamentary Service Commission (PSC) to not more than Kshs6.5 billion, translating to 1.27 per cent of the total national recurrent budget. The Committee argues that this is based on per unit cost of the PSC and which in future should be increased based on the cost of living and adjusted to take into account inflation rates. The development ceiling should be based on the total cost of all programmes absorption rates and prioritization based on available resources. In this regard, the ceiling amount for the PSC for development purposes should be Kshs2 billion, which is 0.62 per cent of the national development budget.

(f) That the Deputy Prime Minister and Minister for Finance limits the ceiling for the Judicial Service Commission with regard to the recurrent amount to not more than Kshs6.807 billion, which is 1.33 per cent of the national recurrent budget, and not exceeding 2.544 billion for development, translating to 0.79 per cent of the national development budget.

(g) That the Deputy Prime Minister and Minister for Finance considers adding resources to the Interim Independent Electoral Commission (IIEC) to fast-track the necessary arrangements in readiness for the unusual general election next year. The Deputy Prime Minister and Minister for Finance should take into consideration, prioritize activities together with efficiency and cost cutting measures.

(h) That the Deputy Prime Minister and Minister for Finance brings down the public debt to a sustainable level of not more than 42 per cent of the GDP in the medium term. This is with regard to domestic borrowing of the financial year 2011/2012 to be maintained at 3 per cent of GDP.

(i) Difficult times call for unpopular measures. He should emphasize on efficiency and cut down on unwarranted expenditure. This House should direct the Minister to keep the total expenditure, including net lending, to not more than 30 per cent of the GDP. This will mean that any additional expenditure requirement should be allowed only if new resources are available.

(j) That the Deputy Prime Minister and Minister for Finance should consider the above recommendations and include them in the Budget under preparation. The Budget should be submitted as per the Constitution. For the purposes of clarity, Chapter 221 of the Constitution is on Budget Estimates and annual Appropriations Bill. For purposes of

clarity, I would like to quote that. It says that at least, two months before the end of each financial year, the Cabinet Secretary responsible for finance shall submit to the National Assembly estimates of the revenue and expenditure of the national Government for the next financial year to be tabled in the National Assembly. The estimates referred to in this Clause shall include estimates of expenditure from the Equalization Fund and, (b) be in the form and according to the procedures prescribed by an Act of Parliament.

With those many remarks, I would like to move and request my Chairman, hon. Mbau, to second the Motion.

Mr. Mbau: Mr. Temporary Deputy Speaker, Sir, I would like to second this important Motion and thank my Vice Chairman for moving it very ably. I know that hon. Members have a keen interest to make contributions in support of this Motion, which touches on the key issues of policy of the Government, which is stipulated in the budget statement. The policies should be aimed at ensuring that the Government achieves its development objectives and agenda for this year.

Mr. Temporary Deputy Speaker, Sir, it is important for me to, on the outset, note that the process of involving Members of Parliament in the Budget-making process in Kenya, as in other Parliaments, has come a long way. For a long time, technocrats and the Executive are the organs which have had the honourable and singular responsibility of proposing, formulating, evaluating, auditing and presenting the Budget of the Republic of Kenya to the public. I want to thank this House for having come up with a new law, namely, The Fiscal Management Act, 2009, and for having compiled new Standing Orders a year ago, and also for ensuring that the new Constitution involves Parliament in the budget-making process.

The Budget Policy Statement, whose recommendations and report we are today discussing, is part of the budget-making process. It is also a part of a policy tool which ensures that the citizens of this country feel properly represented, and that the Members of Parliament they have elected to come here and oversee the taxes they contribute to the Exchequer ensure that those taxes are well appropriated and utilised. Indeed, Parliament has the power of the purse. Parliament is the one which is tasked with the responsibility of ensuring that the resources of the nation are equitably appropriated and distributed to ensure that every part of this Republic feels that it is part and parcel of the Government.

Mr. Temporary Deputy Speaker, Sir, we all know that many countries have ensured that their constitutions are democratised to ensure that before expenditures are approved, parliament is incorporated. We are discussing this policy statement at a time when Kenyans have been adversely affected by the prevailing high prices of fuel and essential commodities. I wish to say that even though the Government has belatedly, through this House, made proposals which are going to ease the suffering of the common man, that initiative has come a little late given that we have already experienced shortfalls which have resulted in a decline in the purchasing power of Kenyans.

We need to be thinking and acting more proactively. I urge the Government not to be responding to such trends as emergencies when we already have had warnings early enough. We were warned about the weather conditions that we are experiencing today twelve months ago by the Meteorological Department. The drought has caught up with us, and we want to behave as if it can be treated as an act of God or an emergency or something which we could not foresee and put in place measures to ameliorate its effects.

Mr. Temporary Deputy Speaker, Sir, through the Budget Policy Statement, the Government is supposed to focus and plan in advance and come up with strategies which can ensure that we are not caught pants down in terms of responding to situations which tend to put us off balance. I must state that for Members of Parliament to ensure effective oversight of public budgets, they must be given an opportunity to make recommendations and own policy statements and Budgets which the Government wishes to present to the public.

As representatives of the people, we must continue to speak up and make recommendations, because we have the responsibility of guiding the Executive in coming up with programmes which prioritize the needs of the people.

Mr. Temporary Deputy Speaker, Sir, I would like to ensure that as many hon. Members as possible contribute to this Motion and, therefore, I will stop there.

With those remarks, I beg to second.

(Question proposed)

The Minister for Nairobi Metropolitan Development (Mr. Githae): Mr. Temporary Deputy Speaker, Sir, I thank you for giving me this opportunity.

Right from the outset, I would like to congratulate the Chairman of the Committee and the Members of his team for a job well done. They have gone through the policy statement. We have heard their views. It is now up to the Treasury to be guided by those very important comments as ably expressed by the Vice-Chairman of the Committee.

In my view, this Motion is purely procedural. The only important thing is the amendment that has been proposed. We all know the reasons. This is an oversight by Parliament to take into account renovations in preparation for the Senate. That is the reason why the Budget of the National Assembly is increasing from Kshs2 billion to Kshs2.4 billion. Since there is quite a number of people who would like to be in the Senate, this is in order. We must prepare well for the new Senate.

*[The Temporary Deputy Speaker
(Prof. Kaloki) left the Chair]*

*[The Temporary Deputy Speaker
(Dr. Laboso) took the Chair]*

Madam Temporary Deputy Speaker, the other important amendment arises from the opinion that the Budget of the Ministry of State for Defence should be separated, instead of retaining the current one huge Vote amount. This raises the issue that the Government is overspending on defence matters. If the budgets for the Kenya Army, the Kenya Navy and the Kenya Air Force are separated, Parliament will be in a position to know exactly how much money the Government is spending on each of the three units of the national defence forces.

Madam Temporary Deputy Speaker, I support this Motion and since this is purely procedural, I would request Members that we approve it. Then we can proceed to the next order, which is on the Constitution, which really brought us here earlier than necessary. That is why we have not gone on recess. I, therefore, support.

Dr. Nuh: Madam Temporary Deputy Speaker, when the Budget Policy Statement is treated as a Procedural Motion by the Government side, it really raises concern as to whether this is a Government that wants to listen to the recommendations of the Committee.

Mrs. Shebesh: On a point of order, Madam Temporary Deputy Speaker. I do not see the Minister. We know about collective responsibility, but we would want, because of the seriousness of this debate, to see the Minister. It is really fair? The Minister for Justice, National Cohesion and Constitutional Affairs has been sitting here throughout the debate on his Bill. What is so special about the Deputy Prime Minister and Minister for Finance that he cannot sit through the debate on the Budget Policy Statement?

The Temporary Deputy Speaker (Dr. Laboso): Your point has been made that the Deputy Prime Minister and Minister for Finance is not here.

The Assistant Minister for Youth Affairs and Sports (Mr. Kabando wa Kabando): On a point of order, Madam Temporary Deputy Speaker.

The Minister for Nairobi Metropolitan Development (Mr. Githae): On a point of order, Madam Temporary Deputy Speaker.

The Temporary Deputy Speaker (Dr. Laboso): Why are you two hon. Members standing up at the same time?

The Assistant Minister for Youth Affairs and Sports (Mr. Kabando wa Kabando): Madam Temporary Deputy Speaker, with all due respect to the queries raised, which are to be listened to and they are partly legitimate, we are now in an era of upgrade in ICT. Is it in order for us to expect that every time there is a Motion, however important it is, technocrats, who are very tuned to reading a historic Budget under a new Constitution, will relief themselves of that attention and concentration to sit here? We know that they can obtain not just the HANSARD in their offices, because this has happened even in my Ministry many times, but can also watch what is happening. Is it in order for Members to be unconscious to the need of the ICT revolution?

The Temporary Deputy Speaker (Dr. Laboso): The last point of order on that. I hope you are not repeating yourself, hon. Mbadi!

Mr. Mbadi: Madam Temporary Deputy Speaker, I want to give all due respect to my friend and former comrade in campus, who I know may want to be a Minister, but it is too late, he may not be a full Minister, but he has to be contended with being an Assistant Minister. I want to bring it to the knowledge of the Government that the Minister we are talking about has no respect even for the Budget Committee. This is a Minister who you will invite to appear before the Committee to discuss important provisions of the Budget Policy Statement and important provisions in the main Budget, but he will never appear. Instead, he goes to his village to address public rallies.

The Temporary Deputy Speaker (Dr. Laboso): Hon. Mbadi, that point has been made. I think the point here is, and we all know, that Ministers are collectively responsible. So, when we have some Ministers here, they can stand in for their colleagues. So, Dr. Nuh, continue with your contribution.

Dr. Nuh: Madam Temporary Deputy Speaker, I am not just making wild allegations. If what has been said about the era of ICT is true, then we would have been debating from our houses. There would not have been any reason for us to come here.

The issue of collective responsibility binds the Government. The HANSARD will bear me witness. Hon. Githae said it on the Floor of the House that the Government side

is not here for any other business except debating the electoral laws Bill. He said it on HANSARD. They are not here to listen to our recommendations on the Budget Policy Statement because according to them, this is a procedural Motion.

The Assistant Minister for Livestock Development (Mr. Duale): On a point of order, Madam Temporary Deputy Speaker. Is it in order for the Member to continue saying that we are not ready to listen? How can he prove that? We are here to listen and make our contributions and then we go to the next order. So, if he has not points, let him sit down.

The Temporary Deputy Speaker (Dr. Laboso): Hon. Duale, Order! What the Member has just said is a fact. It can be ascertained that the Minister for Nairobi Metropolitan Development said that we came here to debate the Independent Electoral and Boundaries Commission. That is public knowledge now and that is what you said, Minister!

The Minister for Nairobi Metropolitan Development (Mr. Githae): On a point of order, Madam Temporary Deputy Speaker. I said very clearly and I will repeat what I said that this is an important Policy Statement Paper. I congratulated the Members for doing. I said that we fully agree with the amendments and I gave the reasons why the amendments are there. I said that nobody is opposing, everybody is agreeing and so, we move on to the next order. That is what I said.

The Temporary Deputy Speaker (Dr. Laboso): Dr. Nuh, continue and, please, continue to conclude your contribution.

Dr. Nuh: Madam Temporary Deputy Speaker, I even doubt whether they understand that what we are amending is just the Motion and not the document itself. The document is bulky and we concur with some recommendations and disagree with some. The Constitution guarantees many rights for Kenyans, namely, the right to food, shelter and many other things.

At a time when the cost of basic goods like *unga*, rice and sugar is rising, what guarantees have been placed within the Budget Policy Statement (BPS) that was tabled to cushion the mwananchi against these soaring prices? This thing has not come as a shock. It was predicted. There have to be some concrete measures of trying to waive some of the prices even for the poor people who cannot afford.

Madam Temporary Deputy Speaker, I want to go to the issue of devolution. We have talked too much about devolution. Just yesterday, we were asking why the 0.5 per cent Equalization Fund has not been factored in the Budget. The Government came here and told us that it is fine and because the structures of how the 0.5 per cent will be utilized have not been set, then there is no need to have the 0.5 per cent Equalization Fund in the Budget. The law is very clear. The 0.5 per cent Equalization Fund does not have to wait for a framework of implementation. The 0.5 per cent funds are ring-fenced. If Treasury was wise enough, it would have set the 0.5 per cent within the Budget, ring-fenced this money and it would be utilized in marginalized areas as and when need arises. However, because they want to get away with it, people from marginalized areas, like where Mr. Duale comes from, will have to lose one critical year and yet this has a timeframe of 20 years. So, we will only have 19 years. We are losing one year which we were guaranteed by the Constitution of this Republic.

On the issue of the Constituencies Development Fund (CDF), I would like to tell hon. Members that I want to better the welfare of the constituents. When we try to debate

this issue in detail--- Sometimes we need to bring to their attention what they are missing, which they do not know. Maybe the Government side has more money to spend. The CDF Act is very clear about how much and the quantum of CDF money which are supposed to be disbursed to constituencies. It says very clearly: “Amounts that are either equal to or not less than 2.5 per cent.” For the last five years, the Office of the Deputy Prime Minister and Ministry of Finance has been short changing the CDF as a Fund. There are monies unremitted which should have rightly been used in our constituencies. I am currently trucking water to over 20 villages with populations exceeding 10,000 people, and here are monies which the people of Bura are entitled to, and which the Constitution and the CDF Act guarantees but the people at Treasury could just sit as technocrats and say: “Okay. This is the amount we will devolve to the CDF,” without regard to the law. A total of Kshs7.4 billion is in accruals for CDF. These are monies which would have made a very big difference in the constituencies of these hon. Members, including Mr. Githae’s Constituency. We have tried to bring this to the attention of the people in Treasury and told them: “This is the law and they cannot flout it.” If there are limits which have been set within the law for the remittance of the CDF money, then they just have to comply. Some of us even wanted to shoot down the Supplementary Estimates, not only because we want monies in our constituencies, but because people are flouting the rules, regulations and the law. This is not a country where we decide which part of the law to accept and which one to disregard.

Madam Temporary Deputy Speaker, I want to finish with the two issues of Stimulus and emergencies. They want to wind up the Stimulus Package or Programme that they brought on board. We did not force them to do that but, at least, for it to have relevance, then they have to complete the projects and not only winding up for the sake of it. We have schools which have been constructed with two classrooms. I do not know whether students nowadays complete secondary education at Form II. They need two more classrooms. We also have health facilities which have just been started and need more upgrading. So, if the Office of the Deputy Prime Minister and Ministry of Finance would like to wind up this programme, then they have to do it in a manner that is meticulous and that makes sense in order for us not to have projects which we would label “elephant projects”.

On emergencies, we have drought year in, year out. If it is up to the wisdom of people in that Ministry and Government to decide that we can only put aside monies for emergencies when they arise, then it is a pity. Every time we come to this House to complain that drought has come, the Government only releases monies after we start counting to them how many people are dead in our constituencies. We have to come and give evidence of death certificates of people who died because they could not access water. That is the time the Government would declare that drought is a disaster and release funds.

Madam Temporary Deputy Speaker, the recommendations that have been forwarded by the Committee are very critical and the Government has to take them very seriously if they want us to pass that Budget come June, 2011.

The Assistant Minister for Energy (Eng. M.M Mahamud): Thank you very much, Madam Temporary Deputy Speaker, for allowing me to contribute to the Budget Policy Statement.

From the outset, I would like to agree with my colleagues in the Back Bench that the Government must take this Session very seriously. Budget issues are very serious and without money, nothing can move on. If we cannot support the Budget debate, then I wonder what else is important to this country than the issue of money. This country cannot move without money. This includes the Bill that we are about to debate on the Independent Electoral and Boundaries Commission.

Madam Temporary Deputy Speaker, I appreciate the comments made by the Committee and commend it for a job well done. The BPS projects that in the 2011/2012 Financial Year the growth rate will be about 6.1 per cent during normal weather. I wonder what they consider as normal weather. We have been having recurrent drought in this country for the last few years. I consider that a very sweeping and careless statement. For that reason, I think the people in the Office of the Deputy Prime Minister and Ministry of Finance should take budget issues very seriously.

Madam Temporary Deputy Speaker, we are told that there is also poor performance of revenue, and yet year in, year out, the Government projects estimates beyond what they calculated last year. This encourages internal borrowing. In fact, the Report says that today's public debt stands at 50 per cent of the Gross Domestic Product (GDP). That is not sustainable. We must be serious in projecting our revenue collection and contain our expenditure to a level that we can manage. We do not want to indebt our future generations to figures that they cannot sustain.

The Committee has highlighted some issues, for example, drought and famine. It says that drought and famine is here to stay, and yet we do not seem to be taking them seriously. We wait until everything goes wrong and then start talking about importing maize. People were about to die in my own constituency a few weeks ago. In fact, had it not rained for the last few days, we were about to lose people. Animals were lost. Nothing serious or out of the ordinary was done by us in the Government to see how we could save our people. We live in this country where one part of the population does not know about the other. I think we need to be serious and that is why technocrats are there-- - I was a technocrat and I think if I were the Permanent Secretary, Office of the Deputy Prime Minister and Ministry of Finance, I would have sat here today to take notes of what the hon. Members are saying.

Madam Temporary Deputy Speaker, there are, of course, issues of Economic Stimulus Programme which was introduced and it is only fair that we sustain it. We cannot start something and then discontinue it because of failure. Was it a public show? Those projects, as far as I am concerned, did contribute to the areas that they were implemented. We think that this programme should have been continued. I know that money will not be enough for the projects we want to do but if we have proper priorities, we only can do what is good for this country.

Madam Temporary Deputy Speaker, we have heard a lot about the Lamu corridor. I, personally, think that we are wasting time on a project which is so massive and it cannot be sustained by the economy. We have the northern corridor. If only we did something about Mombasa Port, if only we really expanded that port; if only we put our road from Nairobi to Mombasa, all the way to Malava to eight lanes, the market is here. We have the DRC, Uganda and other countries. Why think of something which you actually cannot do?

I, personally, believe that it is through our lifetime that they said the Lamu project might not take off. So, it is something which is just being talked about.

Madam Temporary Deputy Speaker, the Committee talked about the referral hospitals. Kenyatta National Hospital is a big hospital in this country, but to all practical purposes, it is actually dead. Nobody wishes to go there. It is time we did something about our facilities.

Madam Temporary Deputy Speaker, I thank the Committee for recommending that we put in place a Livestock Development Fund. In this country, we always talk about food security. Food is grain. There is a large number of population which does not eat grains in this country. So, I think it is important that we took crop and livestock agriculture seriously, so that we can solve the problems bedeviling this country.

Madam Temporary Deputy Speaker, I thank the Committee for the good job done. But let us take our budget seriously. As the Committee has mentioned, on the issue of CDF, when you have a lot of money and outstanding arrears, we are not serious. Let us effect the laws. Let us see whether the budget we put in place is consistent with the Constitution.

There is no reason why we should make laws in this country and just flout them. We do not want people to live in the old ways. Kenya is a new country. Kenya has a new Constitution which must be respected if we want to have this country move forward.

With those few remarks, I beg to support.

Mr. Mbadi: Thank you, Madam Temporary Deputy Speaker. I also want to take this opportunity to thank my Committee for doing what others have said is a good job. So, I am also convinced that we must have done a very good job in addressing ourselves to the provisions of the Budget Policy Statement (BPS). What worries me most is the fact that this BPS is prepared as if we were still operating under the old Constitution; the one that we repealed on 27th August, 2010. Why do I say this? Even in the BPS itself, the legal framework says it is based on Fiscal Management Act. No mention is made of the new Constitution. That clearly indicates that this BPS is prepared with the mindset of the provisions of Fiscal Management Act, period. It has tried to address the requirements of the Fiscal Management Act. However, among very many requirements, it has only addressed about four of them. This is an attempt and an improvement of last year's BPS.

This BPS has actually failed this country in the sense that it is not attempting to address the issues that are provided in the Constitution. Chapter Four of the Constitution on the Bill of Rights has specified many issues; what the Government of Kenya is required to do. But if you look at the BPS, there are no deliberate provisions to make sure that Kenyans are fed. That is a constitutional requirement. To make sure that there is security in this country because it is now a constitutional requirement; to make sure that people have shelter in this country. One would have expected to see a departure from what has been the business as usual to the new dispensation. That is lacking in this BPS.

We know we are likely to go for elections around August or if not, then December, next year. The BPS has provided nothing for the devolved system of government. Supposing we go for elections in August and the next budget will be in June, 2013? Between June and August, even if you now give the counties or governors money or the Executive and county legislative assemblies, will they set up infrastructure? How will they start work?

If you look at the BPS, you will realize they have only provided for the 15 per cent in 2012/13. This gives you the impression that the Government has not woken up to the fact that we have a new Constitution.

Another issue which is also very serious is that this BPS does not give quantifiable outputs. We do not know what we are expected to achieve. Even when we are talking of development, what level of development? Talk about employment. We have even EPZs, but you will realize that the people who work in EPZs are paid about Kshs150 per day. But the products are exported to other countries. Then we pay a lot of money to these countries when the products come back. What deliberate effort is the Government taking to make sure that our people are not exploited and that the youth get more jobs? What is there in this BPS to address this?

What we have is an attempt to do incremental budgeting. It is business as usual. We have spoken time and again, that we want this country to adopt programme-based budgeting. We want to know the projects that we will do. What is the value for money that we put in those programmes?

It is not a question of the Ministry of Education telling us that, last year, you gave us Kshs7 billion, this year we need Kshs8 billion. Then you give Kshs1 billion or 10 per cent across the board. That cannot help the country to grow. We need a clear strategy on how this country will develop.

Madam Temporary Deputy Speaker, my colleague talked about the Equalization Fund. Chapter 12 has not been suspended. So, the Ministry has no reason whatsoever to deny the regions of this country these funds. He should provide these funds immediately. The BPS must have the 0.5 per cent Equalization Fund.

A lot has been said about CDF. I want to plead with my colleagues. When we are addressing the issue of CDF, we should not even look at it that we are the ones who are managing it. This money goes to the grassroots level, so it does not matter who manages it. It goes to the grassroots level to help our constituents. We must make sure that the correct amount goes to the grassroots. There is no question of begging the Minister. This is the law.

If you look at the BPS, the Minister, in his wisdom, or lack of it, I do not know which one to use, has just decided to remove CDF in the 2012/13 budget. I do not know which law he has applied on this. There is nothing inconsistent between CDF and this Constitution.

This Constitution is even re-emphasizing and giving more weight to CDF. So, the issue of taking away CDF is not legal. It is not provided for. All the devolved funds, which are there, will be there if they were set by an Act of Parliament.

I want to talk about Appropriations-in-Aid (A-in-A). This Fund is always under-disclosed. We have told the Minister that we want this money to be treated as revenue and to be collected by the tax collector.

Madam Temporary Deputy Speaker, I want to talk about the poor collection of revenue. I have heard people talk here that collection of revenue has been under-performing. No! We do not even know the revenue that is being collected in this country. Kenya Revenue Authority (KRA) collects revenue, and that revenue is supposed to go to Treasury. It is then supposed to be reported to Parliament. However, if you look at the various revenue heads, you realize that KRA discloses a different figure. What goes into the Exchequer is different, what is reported to Parliament is different; what the auditors

audit is different and yet our accounts have been qualified for 2007/2008 and 2008/2009. All the revenue accounts have been qualified. There is no explanation. How can you even know that we have under-performed in revenue collection, when the figure from KRA is even higher than what is disclosed here? Is it being under-disclosed here so that the Constituencies Development Fund (CDF) is lower or what is the reason? The accounting records are kept by almost the same people.

Madam Temporary Deputy Speaker, I wanted to conclude by talking about the way we need to approach the various institutions that the new Constitution has put in place. You will realize that in this country, we are crying about carrying out a proper electoral system which has integrity. If we cannot allocate more funds to the Electoral Commission--- If we are going to cap it at some figure and tell them: “You have to operate with this---“, if we cannot sacrifice as a country to give the Electoral Commission more money, we will have a bungled election in this country and you know the consequences. This afternoon, there were issues here of how much we are spending on settling the Internally Displaced Persons (IDPs). If you are going to say that Kshs5 billion is too much to add to the Electoral Commission, then they bungle the elections, how much will you spend in resettling IDPs, loss of revenue to the economy and people who will have lost their lives? You cannot even compensate them? This country lost 1,133 people, if my memory is right. You cannot even quantify the value of those people. When the Electoral Commission wants to computerize the registration of voters, you deny them funds; you deny the Judiciary funds and yet, some of us did not want to go to court because the Judiciary was not properly reformed. Let us sacrifice as a country and give the Electoral Commission money; let us give the Judicial Service Commission (JSC) money and give Parliament money. There is a price to democracy.

You can even suspend some of the programmes because we are in a transition. A transition period can never be normal. You have to sacrifice. You cannot project a growth rate of 6.8 per cent in 2012/2013. It is not realistic. First of all, there are a lot of risks that come with elections and yet, you go ahead and make such optimistic projections. Even if there will be no violence, there are people and businessmen who are scared. They know the history of elections in Kenya. Some of them may not want to bring in investments. So, that year, you must expect a slow rate of growth. You have to accept as a country to divert some funds to those very critical institutions.

Madam Temporary Deputy Speaker, with those remarks, I would like to support this. But I would urge the Deputy Prime Minister and Minister for Finance to--- I feel compelled that I have to say this. Sometimes, we take serious issues very lightly; sometimes, we politicize everything. Last time, when we wanted to amend the Supplementary Budget so that the Minister could accept to give more money to the CDF, which he has been withholding--- We wanted to take money from the National Security Intelligence Service (NSIS). Why give NSIS Kshs1 billion in a supplementary budget and you are starving our projects money? You are starving our schools. In my constituency, there are places where people walk for long distances to get water because they have no water. When you raise an issue like that, because it is Mbadi who has raised it, some people run out to say that it is an Orange Democratic Movement (ODM) issue; ODM wants to punish Party of National Unity (PNU). Some people talk even tribal. Let us sometimes separate tribal issues. We were with Dr. Nuh and we agreed on these thing. We said that we felt, as a country, that the Minister is not taking us seriously. Hon.

Ekwee Ethuro is not an ODM member. He is actually a very strong supporter of PNU and, more so, Kenya African National Union (KANU) where the Deputy Prime Minister and Minister for Finance is supposed to be the chairman. I do not know whether he is still the Chairman. He is theoretically the Chairman. But what I am trying to say is this: Let us, at sometimes, put the interests of this country ahead of everything else.

The Minister for Nairobi Metropolitan Development (Mr. Githae): On a point of order, Madam Temporary Deputy Speaker. Our rules are very clear. If you make any statement, you must be able to provide substantiation. Could he substantiate the statement that hon. Uhuru Kenyatta is not the chairman of KANU and yet, there has been no elections and we know from the records of the Registrar of Political Parties that he is still the Chairman? When did you unseat him?

Mr. Mbadi: Madam Temporary Deputy Speaker, if you listened carefully - and I wonder why my good friend nowadays does not listen properly - I said that he is theoretically the Chairman; which means he is still the Chairman, but theoretically. The reason why I am saying that is because, just yesterday, instead of supporting one who wanted to be an MP on a KANU ticket---

Mr. Keynan: On a point of order, Madam Temporary Speaker.

The Temporary Deputy Speaker (Dr. Laboso): Order, Keynan! Can you conclude, hon. Mbadi!

Mr. Mbadi: I am concluding by saying that even yesterday, his Secretary-General; Mr. Nick Salat and the Vice-Chairman, Mr. Gedion Moi, wanted KANU to field a candidate in Kamukunji Constituency but the purported Chairman of the party refused.

Mr. Keynan: On a point of order, Madam Temporary Deputy Speaker. I want to say I am here as a member of KANU and our National Chairman is one; Uhuru Muigai Kenyatta. Is it, therefore, in order for my good friend, hon. Mbadi, to insinuate that Uhuru is not the substantive Chairman when I know that he is, indeed, our substantive Chairman?

The Temporary Deputy Speaker (Dr. Laboso): Hon. Mbadi, conclude, please. We are not here to talk about the politics of KANU.

Mr. Mbadi: Thank you, Madam Temporary Deputy Speaker. Actually, the truth of the matter is that hon. Uhuru is still the Chair because even the records of the Registrar still show that. But I only expressed---

Mr. Lessonet: On a point of order, Madam Temporary Deputy Speaker. I just want you to allow us to be relevant to the subject matter, which is the Budget Policy Statement. We are responding to it. I can see the hon. Member here is so bitter and annoyed. We want to be relevant. Let us stop this issue of political parties and Uhuru Kenyatta. Let us debate the Budget Policy Statement. Let us make beautiful contribution on the Floor.

The Temporary Deputy Speaker (Dr. Laboso): Order! Hon. Lessonet, just before you rose, that is exactly what I said.

Mr. Mbadi: Madam Temporary Deputy Speaker, Sir, I have actually been very relevant. This Member of Parliament is one of those Members of Parliament who ran to this House saying that ODM wanted to shoot down the Supplementary Budget. That is what I was talking about. He is one of the people who, without asking a question on what is happening--- Then he comes here to pretend that he can make better contributions.

Mr. Njuguna: On a point of order, Madam Temporary Deputy Speaker.

The Temporary Deputy Speaker (Dr. Laboso): Hon. Njuguna, do you want to contribute?

Mr. Njuguna: Yes, Madam Temporary Deputy Speaker.

Mr. Mbadi: How do you contribute and I have not finished?

(Laughter)

Madam Temporary Deputy Speaker, this is still my time. The hon. Member is even the Vice-Chair of the CDF Committee and---

Mr. Lessonet: On a point of order, Madam Temporary Deputy Speaker.

The Temporary Deputy Speaker (Dr. Laboso): Please, watch that it is not another of your frivolous points of order.

Mr. Lessonet: On a point of order, Madam Temporary Deputy Speaker. Is it in order for the hon. Member to impute improper motive on me? I have never been summoned to this House by a Short Messaging Service (SMS) that ODM is shooting down a Bill. I am, indeed, a member of ODM – a substantive member for that matter and not part of the remnants. Could the hon. Member substantiate further on that claim that I was summoned, and even be able to prove that I was summoned to this House?

Mr. Mbadi: Madam Temporary Deputy Speaker, he was not here when that issue came up. However, when I saw someone walk in, he followed him. That is why I thought he was summoned. If he was not, let me withdraw and apologize.

I saw him follow someone who was called to come and give support---

The Temporary Deputy Speaker (Dr. Laboso): Conclude your contribution!

Mr. Mbadi: Madam Temporary Deputy Speaker, I think I have finished my contribution. I was just urging that let us sometimes separate issues from parties.

The Temporary Deputy Speaker (Dr. Laboso): Your time is up, Mr. Mbadi.

Mr. Njuguna, please, proceed.

Mr. Njuguna: Madam Temporary Deputy Speaker, let me thank you for the opportunity to contribute to this very important Motion.

First, let me thank the Chairman of the Budget Committee for the manner in which he has presented his critical contribution to this House. I also thank the Vice-Chairman, who really did a very commendable job on this very satisfactory Report.

Madam Temporary Deputy Speaker, some of the critical observations made by this Committee require deep consideration and implementation, particularly by the Deputy Prime Minister and Minister for Finance. This Committee sat in eight sittings. These sittings came up with fantastic recommendations which we need to implement.

One of the observations is on the national security. It is very clear in our minds that our borders are very much exposed and we need to do something about it. Security of individual citizens in their homes is also critical. We have seen families being tormented; vehicles, children and people's wives are attacked at night by thugs.

Madam Temporary Deputy Speaker, it is also bad that we see slum dwellers suffering because of unknown fires that destroy their homes. This is an issue that also needs to be addressed properly by our Government.

Concerning the health of our people, this is really critical because our health centres, dispensaries and even the Kenyatta National Hospital (KNH) have continued to

lack very important drugs. Therefore, the health of our people has not been addressed properly.

The Kenya Medical Supplies Agency (KEMSA) has also gone slow in the procurement of drugs. The management of that institution must be overhauled. You cannot imagine that some district hospitals are running without blankets and beds. At times, patients share very little resources. It is, therefore, important that we address some of these issues.

Madam Temporary Deputy Speaker, concerning education in our country it is important that more resources are invested in this sector. Review of the teachers' salaries must be done. Paying our lecturers and professors at the universities is an issue that needs to be looked into properly.

The Economic Stimulus Projects (ESP) that were started must be completed if they are to bear fruit. There are some areas in this country where these projects have not taken off. An effort must be made to make sure that they are started properly and completed.

Mobile schools in the nomadic areas must also be provided, so that those communities are given access to education.

Madam Temporary Deputy Speaker, in some parts of this country, today, Kenyans are dying as a result of hunger and thirst. If we had adequate national strategic reserves, maize would have been supplied to those areas and the lives of Kenyans would have been saved. Talking about three million bags of maize in our Strategic Grain Reserve is not enough. We should be able to improve that capacity to even more than ten million bags. Therefore, it is important to support farmers in the country, and fertilizer and seeds must be made available in good time. So the shortage at the SGR should be addressed. We have seen racketeers and profiteers in this county making a lot of money out of poor Kenyans. This is an issue that needs to be addressed because it is making our nation a very de-spirited.

The public debt, as highlighted by the Chairman of this Committee, is another concern. If we are not careful, this nation is likely to be mortgaged. This nation is likely to be taken over by foreigners. We are likely to enter a new phase of colonization. Therefore, we must be very careful. We must take decisive action to make sure that all the necessary sectors, like the agricultural and tourism sectors, are boosted to improve the national output.

Procurement of services in Government hospitals has been another headache. Public finances have been embezzled and "eaten" by civil servants. This is an area that has been very well covered by that Committee. It is high time that this practice was checked.

Madam Temporary Deputy Speaker, let me comment on the issue of joblessness of our youth. If this issue is not addressed, it can cause a lot of problems.

Shortage of teachers in our country is causing inequality and ineffective teaching in our schools. We cannot provide quality education unless we have the adequate number of teachers. We have to improve the infrastructure in our schools, so that we are able to give Kenyans quality education and have effective teaching in our schools.

Concerning drought in this country, we have had money for investment that has been managed poorly by certain Ministries. This is money that should have been invested in irrigation schemes to boost productivity in our country.

Madam Temporary Deputy Speaker, Sir, concerning rail transport, this has been terribly executed by the Rift Valley Railways. This sector can provide reliable means of transport for our people.

Madam Temporary Deputy Speaker, I fully support the recommendations as proposed by the Committee.

Thank you very much.

Mrs. Odhiambo-Mabona: Madam Temporary Deputy Speaker, thank you for giving me this opportunity. I want to thank the Committee Members for giving a good Report.

As other hon. Members have said, we must take the issues of budget seriously in this country. I want to note that we need to be true to the Constitution. If you look at what the Constitution provides, we did not pass this Constitution as a mere cosmetic thing. We did not pass this Constitution, so that we keep it in the shelves. We are at a different stage and time in this country. We must get off the era of impunity. Many people think that impunity only has to do with issues that are criminal in nature. Impunity has to do with having a law and ignoring what the provisions of that law says.

Madam Temporary Deputy Speaker, the Constitution is very clear. I want to thank Dr. Nuh. I was cheering him till my shoes almost came off. The reason I was cheering him was--- If you look critically at the issues that affect this country, one of them is marginalization. If you look at the Waki Report and the Kriegler Report, you will see that the underlying issues of violence in this country are issues of marginalization.

If you go to countries that are developed, you will see that people receive resources; people are not even interested in elections because their stomachs are full. When people are hungry, then they are interested in who the leader is. They are interested in who the President is. Unless we address the issue of inequality in this country, we will be in trouble. That is why we are not going to allow, especially me as the Vice-Chairperson of the Constitution Implementation Oversight Committee (CIOC), people to flout the Constitution with impunity. If the Constitution provides that there must be an Equalization Fund, there shall be an Equalization Fund. We are going to use all approaches. If we are not going to get it through Parliament, we are going to get it through the courts. We are going to get it through every means possible. This is because the Constitution is clear and we cannot start on implementation of the Constitution on the wrong path.

That was why I was recently disappointed when a young aspiring Presidential candidate met people from Nyanza and said that the reason Nyanza is not developed is because of the politics they have been supporting. That cannot be a reason for under-development. If you want people to support you, you must be a good leader.

The Temporary Deputy Speaker (Dr. Laboso): Mrs. Odhiambo-Mabona, you have a balance of 18 minutes. You will continue when this House resumes.

ADJOURNMENT

Hon. Members, it is now time for interruption of business. The House is, therefore, adjourned until Tuesday 3rd, May 2011 at 2.30 p.m.

The House rose at 6.30 p.m.