

# NATIONAL ASSEMBLY

## OFFICIAL REPORT

Thursday, 20th June, 1996

The House met at 2.30 p.m.

*[The Temporary Deputy Speaker  
(Mr. Wetangula) in the Chair]*

## PRAYERS

## ORAL ANSWERS TO QUESTIONS

*Question No. 562*

### PAYMENT OF POLICE CASH BONDS

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

- (a) whether he is aware that the cash bond holders, who pay the required amount at the Kangema Police Station, are required to collect their cash, after they are freed from the bond, from Murang'a District Headquarters which is 17 miles from Kangema;
- (b) whether he is further aware that these frequent travels involve expenditure on bus fares plus subsistence; and,
- (c) if he would arrange for these refunds to be made at the point of payment, namely, Kangema Police Station.

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

(a) Yes, I am aware.

(b) Yes, I am aware.

(c) I will investigate this matter further to see why cash bail that is paid at Kangema is not refunded there, and I will make sure that the situation is rectified.

**Mr. Michuki:** Mr. Temporary Deputy Speaker, Sir, I do not think I have anything else to say. If the Assistant Minister is not ready to answer this Question, he should be given more time. But could he tell this House when he is going to bring his findings here?

**Mr. Sunkuli:** Mr. Temporary Deputy Speaker, Sir, because I want to investigate this matter further, if I can answer this Question further on Tuesday, 25th June, 1996, then it shall be fine.

**The Temporary Deputy Speaker** (Mr. Wetangula): The Question is deferred to Tuesday.

*(Question deferred)*

*Question No. 367*

### DEATHS IN REMAND CELLS

**The Temporary Deputy Speaker** (Mr. Wetangula): Is Mr. Sifuna not here. Let us move on to the next Question.

*Question No. 404*

### REHABILITATION OF DAMS IN SIGOR

**Mr. Rotino** asked the Minister for Land Reclamation, Regional and Water Development what plans he has to rehabilitate the dams in Sigor Constituency.

**The Minister for Land Reclamation, Regional and Water Development** (Mr. Mohammed): Mr. Temporary Deputy Speaker, Sir, I beg to reply.

My Ministry has no plans for any dam rehabilitation as there are no dams in Sigor Division due to geological factors. However, my Ministry is aware that there are seven pans in Sigor and one of them, that is Kawaibel pan in Nyangaita Sub-Location, has already been desilted. The remaining six pans in the area will be desilted once funds are available.

**Mr. Rotino:** Mr. Temporary Deputy Speaker, Sir, I have asked for plans that the Ministry has to rehabilitate what the Minister calls pans. When the Minister says that the dam he is talking about in Nyangaita has been desilted, I think he is very much misinformed. I would like to inform him that, that dam has not been desilted and no dam whatsoever has been desilted in that particular area.

So, can the Minister assure this House that he is going to get funds very soon, if not after these rains, to be able to rehabilitate those dams? When is he going to get that money and rehabilitate those dams?

**Mr. Mohamed:** Mr. Temporary Deputy Speaker, Sir, the plans to desilt the pans are there, and we have already desilted one pan and the rest will be desilted as soon as we get the funds.

*Question No. 432*

COMPLETION OF TIMAU HEALTH CENTRE

**Mr. Mwiraria** asked the Minister for Health:-

- (a) when he intends to complete the construction of the Timau Health Centre, which has been under construction for over five years;
- (b) when he expects the centre to become fully operational; and,
- (c) what services the centre will be offering when it becomes operational.

**The Temporary Deputy Speaker** (Mr. Wetangula): Is anyone here from the Ministry of Health? We will leave that Question until the end then.

*Question No. 533*

REPAIRS TO BRIDGES IN KINANGO

**Mr. Rai** asked the Minister for Public Works and Housing:-

- (a) whether he is aware that the District Officer, Samburu, and wananchi are cut off from Kinango/Samburu due to the washout of the following bridges: Chigutu, Nyongoni and Chiraru/Mvyoga; and,
- (b) what immediate action he intends to take so that access to Samburu District Officer's office and Kinango from Samburu and *vice versa* is available.

**Mr. Temporary Deputy Speaker** (Mr. Wetangula): Is there anybody from the Ministry of Public Works and Housing here? We will move on to the next Question.

*Question No. 552*

TARMACKING OF ROADS IN BARINGO EAST

**Mr. Temporary Deputy Speaker** (Mr. Wetangula): Is Mr. J.Lotodo not here?

*(Question dropped)*

*Question No. 518*

UPGRADING OF KOBARE-UHUYI ROAD

**Mr. Mak'Onyango** asked the Minister for Public Works and Housing:-

- (a) whether he is aware that the Kobare-Ywaya-Rabar-Kabura-Uhuyi Road has never been upgraded; and,

(b) when the road is going to be upgraded to open communications in this part of Alego/Usonga Constituency.

**The Temporary Deputy Speaker** (Mr. Wetangula): Is anyone here from the Ministry of Public Works and Housing? Let us move on to the next Question.

*Question No. 526*

NEGLIGENCE OF TARMAC ROADS

**Mr. Mathenge** asked the Minister for Public Works and Housing why the following tarmac roads have been neglected by the Ministry:-

Giगतिका-Ngandu School-Kiamariga-Sagana State Lodge-Kiganjo town; Mathaithi (off Karatina) - Tumutumu Mission Kiamuthenga-Nyeri main road; Nyeri Town-Tetu Mission; Nyeri Town-Mathari Mission-Ihururu; Gatitu-Kagumo-Mukurweini and Kagumo-Kangubiri.

**The Temporary Deputy Speaker** (Mr. Wetangula): Is there nobody still from Ministry of Public Works and Housing? We will move on to the next Question.

*Question No. 333*

LEGAL OWNER OF LR NO. 753

**The Temporary Deputy Speaker** (Mr. Wetangula): Is Rev. Ommani not here? We will leave his Question until the end. Let us move on to the next Question.

*Question No. 528*

NUMBER OF SALT FACTORIES IN KILIFI

**Mr. Ndzai** asked the Minister for Commerce and Industry:-

(a) how many salt processing factories are in Fundi Issa and Gongoni Locations in Kilifi District; and,

(b) who the proprietors are.

**The Assistant Minister for Commerce and Industry** (Mr. Barmasai): Mr. Temporary Deputy Speaker, Sir, I beg to reply.

(a) There are five salt processing factories in Fundi Issa and Gongoni Locations of Kilifi District. These are:-

- (i) Salt Manufacturers Kenya Limited
- (ii) Krystaline Salt Limited
- (iii) Malindi Salt Works
- (iv) Kurawa Industries
- (v) Mombasa Salt works.

(b) The proprietors of these companies are:-

Salt Manufacturers Kenya Limited

(i) Saltec International Limited

(ii) G.M. Matheka

(iii) G. Kanyi

(iv) M.S. Patel.

Krystaline Salt Limited as of 1995

(i) Deepak Estates Limited - Kenya

(ii) Machakos Ranching Co. Ltd. - Kenya

(iii) Kanji Kunverji Patel Ltd - Kenya

Malindi Salt Works

(i) Islam Ali - Kenyan

(ii) Ahmed Ali - Kenyan

Kurawa Salt Works as of 1995

- (i) Kadredina Hajee Essak Limited
- (ii) Abdulhamid Kadredina
- (iii) Abdulkader Kadredina
- (iv) Mohamed Akram Kadredina
- (v) Joseph Mwai Karani

Mombasa Salt Works

- (i) Estate of the late Apahbai T. Patel
- (ii) Mrs. Christine Ramesh Patel
- (iii) Mr. H.P. Dawda
- (iv) Mr. Y.P. Dawda
- (v) Shimat (K) Limited
- (vi) Britania Products Limited
- (vii) Vinesh Purshottam Dawda
- (viii) Aruna Purshottam Dawda

**Mr. Mumba:** Mr. Temporary Deputy Speaker, Sir, as can be seen from the answer, none of those proprietors are indigenous Coast people. As a result of that, none of these proprietors employ indigenous Kenyans on permanent terms. Can the Assistant Minister tell us what the employment position of these factories is? How many permanent and casual employees do they have?

**Mr. Barmasai:** I think that is a different question and if the hon. Member wishes, I will answer it later because it needs a more detailed report on each of the factories and companies involved. There are very many of them.

**Mr. Mwaura:** The earlier Questioner did raise the question of the ownership of these factories since they are not owned by the indigenous Mombasa people. May I, therefore, ask the Assistant Minister a direct question? Out of these salt factories, what is the ratio of ownership between Kenyan citizens and foreign investors?

**Mr. Barmasai:** All the companies that I have mentioned and are owned by Kenyan citizens.

**Mr. Ndzai:** Can the local people be allowed to buy shares from these companies?

**Mr. Barmasai:** If the owners are willing to sell their shares, I am sure they can. But we cannot force those companies to sell their shares and there is nothing to prevent any indigenous company to be established and to do that particular work of manufacturing salt.

**Mr. Mumba:** I am still pursuing the question of employment in this factory. I want to inform the Assistant Minister that these companies do not employ wananchi on permanent terms. Can the Assistant Minister undertake to ensure that these companies engage Kenyans on permanent terms and not as casuals?

**Mr. Barmasai:** Since I am not sure whether they are employed on permanent basis or not, I will undertake to investigate and give an answer later.

*Question No 367*

## DEATHS IN REMAND CELLS

**The Temporary Deputy Speaker** (Mr. Wetangula): Is Mr. Sifuna still not here?

*(Question dropped)*

*Question No. 432*

## COMPLETION OF TIMAU HEALTH CENTRE

**Mr. Mwiraria** asked the Minister for Health:-

- (a) when the Ministry intends to complete the construction of the Timau Health Centre which has been under construction for over years;
- (b) when he expects the centre to become fully operational; and,
- (c) the services which the centre will be offering when it will be operational.

**The Assistant Minister for Health** (Mr. Criticos): Mr. Temporary Deputy Speaker, Sir, I would like to

apologise for being late. The reason being is that I am not happy with the answer which I have received from my officers and I beg the hon. Member to give me some time so that by Tuesday next week I can bring an appropriate answer to the House.

**Mr. Mwiraria:** Having received a copy of the answer which the Assistant Minister has, I know why he is unhappy with it. So, I do not mind giving him the time to go and sort it out.

*(Question deferred)*

*Question No. 533*

#### REPAIRS TO BRIDGES IN KINANGO

**Mr. Rai** asked the Minister for Public Works and Housing:-

(a) whether he is aware that the District Officer, Samburu and wananchi are cut off from Kinango/Samburu due to the wash out of the following bridges: Chigutu, Nyongoni and Chiraru/Mvyoga; and,

(b) what immediate action does he intend to take so that access to Samburu District Officer's office and Kinango from Samburu and vice versa is available.

**The Minister for Public Works and Housing** (Prof. Ng'eno): Mr. Temporary Deputy Speaker, Sir, before I reply, I beg to apologise for coming late. I thought I was very early!

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

(a) I am aware that the recent heavy rains in Samburu and Kinango areas have virtually washed out the Chigutu, Nyongoni and Chiraru/Mvyoga crossings.

(b) The Ministry has already provided Kshs700,000 to Kwale District for the repair of the three crossings and the necessary work will be completed by the end of July, 1996. Meanwhile, appropriate temporary diversions at the two crossings have been provided to facilitate traffic flow until the repair works are completed.

At Nyongoni Bridge, only an approach is affected.

**Mr. Rai:** I would like to know from the Minister how much money was estimated for the repair of these bridges?

**Prof. Ng'eno:** I have said that Kshs700,000 has already been given to Kwale District Treasury for the repair of this work.

**Mr. Rai:** Is the Minister aware that the Kshs700,000 was exhausted two weeks ago and work has come to a stand still now? When I enquired from the officers on the ground they told me that they had requested for Kshs2 million, but they only received Kshs700,000 which has now been exhausted.

**Prof. Ng'eno:** I believe that the headquarters must have thought that Kshs700,000 was sufficient. As you know, at site, everybody wants more money and sometimes when we send our own officers from the headquarters to assess the situation, it turns out that the money needed is much less. However, if the Member is of the opinion that this money has been exhausted and works have not been finished, I am willing to entertain him in my office and get one of the responsible engineers to give me an answer right there and try to satisfy the Member.

*Question No. 552*

#### TARMACKING OF ROADS IN BARINGO EAST

**Mr. J.D. Lotodo** asked the Minister for Public Works and Housing:-

(a) what plans does the Ministry have to tarmac Loruk-Tot-Marich Pass Road and Loruk-Muge to Maralal Road as previously recommended by the District Development Committee, Baringo District; and,

(b) whether he is aware that these roads are very important for agricultural activities in the Kerio Valley and promotion of tourism in the area.

**The Minister for Public Works and Housing** (Prof. Ng'eno): Mr. Temporary Deputy Speaker, Sir, I beg to reply.

(a) The Ministry has no immediate plans to tarmac Loruk-Tot-Marich Pass Road and Loruk-Muge-Maralal Road as previously recommended by Baringo DDC due to non-availability of funds.

(b) The Minister is aware that these roads are very important for agricultural activities and for

promoting tourism in the area. Therefore, the Ministry is already on site improving the roads in pursuance of the Government policy to maintain the existing roads to motorable standards.

**Mr. J.D. Lotodo:** While appreciating the answers given by the Minister for the fact that the road is being done or murramed we know that without roads in a particular area development is affected. Could the Minister tell the House what action he is going to take to tarmac this particular road because it is the only road which is serving about four districts which are: Marakwet, West Pokot, Turkana and Baringo?

**Prof. Ng'eno:** I had said that the Ministry has no immediate plans. That does not mean that they do not think that it is a very important road.

**Mr. Leshore:** On a point of order, Mr. Temporary Deputy Speaker, Sir, is the Minister aware that we had passed a Motion in this House calling upon the Ministry to set aside funds to improve those roads? Is he further aware that Rumuruti Maral Road is not yet tarmacked while they had promised to tarmac it way back 1984 and to date nothing has been done?

**The Temporary Deputy Speaker (Mr. Wetangula):** That was not a point of order.

**Prof. Ng'eno:** I must tell the House that these roads are very, very important. We would really like to tarmac them. Unfortunately, funds are not available and I simply have to say that we will continue to look for funds and when they become available, we will do the necessary work.

**Dr. Kituyi:** Arising from the Minister's reply, hon. Members do remember that this Minister, while seeking Parliamentary approval for the establishment of a Road Maintenance Levy Fund, promised this House that the problems of roads which have been endorsed by DDCs not being constructed or improved will be history once this money was availed to him. Now that he has been receiving this money for two years and he has even requested for much more, can he tell us why that problem is still persistent even after they have taxed the consumers for the maintenance of roads?

**Prof. Ng'eno:** I will address that issue when I will be contributing on the Budget Speech. I will be able to address that issue because I will have more time to do so.

**Dr. Kituyi:** Mr. Temporary Deputy Speaker, Sir, is the Minister in order to oblige me to listen to him under a different debate when I have asked a relevant Question demanding an answer now or can he just tell us that he is going to get somebody to write the answer for him?

**Prof. Ng'eno:** Mr. Temporary Deputy Speaker, Sir, I did say that one of the ways to address the problem of road maintenance was the provision of funds through the Petroleum Levy. I did also say that the amount of money that we got last year, Kshs1.5 billion was a drop in the bucket.

I did say that in order to do justice to the roads, we will need something like Kshs9 billion, which is not available.

**Mr. Otieno:** Mr. Temporary Deputy Speaker, Sir, you did not get Kshs1.5 billion. The estimates available to the hon. Members indicate that you got Kshs2.4 billion; do not mislead us!

*(Laughter)*

**Prof. Ng'eno:** Mr. Temporary Deputy Speaker, Sir, that may very well be, but during the time I was discussing the question of Petroleum Levy, when we were passing the Bill, the expected amount was Kshs1.5 billion.

**The Temporary Deputy Speaker (Mr. Wetangula):** Next Question, Mr. Mak'Onyango.

*Question No 518*

#### GRADING OF KOBARE-UHUYI ROAD

**Mr. Mak'Onyango:** Mr. Temporary Deputy Speaker, Sir, I wish to correct that what the Question is concerned with is "grading" of the road, not "upgrading".

**Mr. Mak'Onyango** asked the Minister for Public Works and Housing the following Question:-

- (a) whether he is aware that the Kobare-Uhuyi Road has never been graded; and,
- (b) when this road is going to graded to open communications in this part of Alego\Usonga Constituency.

**The Minister for Public Works and Housing (Prof. Ng'eno):** Mr. Temporary Deputy Speaker, Sir, since the hon. Member is talking about grading and not upgrading, I would like to say that we will grade the road using some Kshs60,000, which has been set aside.

*(Several Members stood up)*

**Mr. Michuki:** Mr. Temporary Deputy Speaker, Sir, the Minister says that he will do this road.

**The Temporary Deputy Speaker** (Mr. Wetangula): Who gave you the Floor, Mr. Michuki?

**Mr. Michuki:** I thought you pointed at me?

**The Temporary Deputy Speaker** (Mr. Wetangula): You do not catch Mr. Temporary Deputy Speaker's eye by being pointed at, but by your name being called out.

**Mr. Mak'Onyango:** Mr. Temporary Deputy Speaker, Sir, arising from that unfortunate answer, can the Minister tell this House where that Kshs60,000 is going to come from and is he really satisfied that Kshs60,000 will be able to upgrade a road which is 20 kilometres long?

**The Temporary Deputy Speaker** (Mr. Wetangula): I thought you said that you are not talking about upgrading, but grading?

**Mr. Mak'Onyango:** Yes, Mr. Temporary Deputy Speaker, Sir, it is grading.

**Prof. Ng'eno:** Mr. Temporary Deputy Speaker, Sir, to upgrade means to bring it from earth standards to gravel or tarmac standards. To upgrade the road to gravel standards, we will require Kshs28 million, we cannot do that; and to upgrade it to bitumen standards, we will require Kshs384 million. What I have said is that we are willing to grade that road and it will cost Kshs60,000. We will grade it with the money which has been provided for.

*(Several Members stood up)*

**Mr. Michuki:** Mr. Temporary Deputy Speaker, Sir, in his reply, the Minister is pleading that he will do some of these things, particularly roads when money is available. Money can only be sufficient on the basis of priorities set. Could the Minister undertake to bring to this House a list of all roads in Kenya, in accordance with his own priorities, so that we can see how he gives money to some roads and not to others because lack of funds can only arise out of prioritised list of activities?

**Prof. Ng'eno:** Mr. Temporary Deputy Speaker, Sir, first of all, I do not determine the priorities as far as roads are concerned. These are done by the country through the District Development Communities (DDC). In any case, if the---

**Dr. Otieno-Kopiyo:** On a point of order, Mr. Temporary Deputy Speaker, Sir. The Minister has just answered a previous Question where the priority had been done by the Baringo DDC, and he still did not have money. There must be another reason or mechanism through which he determines which roads should be a priority.

**Prof. Ng'eno:** Mr. Temporary Deputy Speaker, Sir, it is true that the DDC orders the priorities, but they can be responded to if money is available. The fact that there is an order of priorities does not mean that money becomes available and then these roads are done. Secondly, if the hon. Member wants me to give a list of priorities, then he should put a different Question.

**Mr. Rotino:** Mr. Temporary Deputy Speaker, Sir, we know that roads are very, very important networks for us to be able to move. Is the Minister aware that the DDC priorities is not working now? What mechanism is he going to institute to be able to know which roads and in which districts are going to be tarmacked this year?

**Prof. Ng'eno:** Mr. Temporary Deputy Speaker, Sir, the priorities given by the DDC is what we follow. The problem is that there is no enough money and I think hon. Members have to face the reality that---

**Mr. Rotino:** On a point of order, Mr. Temporary Deputy Speaker, Sir. If the Minister is strict on that, then the road which was asked previously about Loruk-Tot-Marich Pass Road was put in this House as a Motion in 1986, and then 1993, we did put an another Motion on the same road. It had been passed by the DDC. What priority is he talking about? Do not mislead us; tell us the truth!

**Prof. Ng'eno:** Mr. Temporary Deputy Speaker, Sir, I am not misleading the House. The Baringo DDC prioritised the road and the Motion was passed, but still until money becomes available, there is nothing the Minister can do.

*(Several Members stood up)*

**Mr. Aluoch:** Thank you, Mr. Temporary Deputy Speaker, Sir. Apart from the inequitable distribution of money for repairing roads, can the Minister tell the House, why he makes promises in this House every now and

then? There was a time I asked for a road to be repaired and he promised that he was going to give Kshs2.5 million to do Road D-15, which runs from Rongo to Rangwe but up to now that money has not been made available.

**Prof. Ng'eno:** Mr. Temporary Deputy Speaker, Sir, if I can recall, the hon. Member was asking about the road which is now called Rodi-Kopany and I have done it. It has been tarmacked.

*(Applause)*

*Question No 326*

NEGLIGENCE OF TARMAC ROADS

**Mr. Mathenge** asked the Minister for Public Works and Housing, why the following tarmac roads have been neglected by the Ministry:-

Giagatika-Ngandu School-Kiamariga-Sagana, State Lodge-Kiganjo Town; Mathaithi (off Karatina)-Tumutumu Mission-Kiamuthenga-Nyeri main road; Nyeri Town-Tetu Mission; Nyeri Town-Mathari Mission-Ihururu; Gatitu-Kagumo-Mukurweini and Kagumo-Kangubiri.

**The Minister for Public Works and Housing** (Prof. Ng'eno): Mr. Temporary Deputy Speaker, Sir, I beg to reply.

The Ministry has not neglected any of the roads which are the subject of the Question.

**Mr. Mathenge:** Mr. Temporary Deputy Speaker, Sir, that is an affront to me by the Minister. In view of the fact that presumably every year some money is set aside for the maintenance of this short distance, but important roads leading to schools, hospitals, factories and the State Lodge at Sagana, can the Minister tell us how much money has been spent on the maintenance of these roads over the last three years?

**Prof. Ng'eno:** Mr. Temporary Deputy Speaker, Sir, it is not only the last three years, but this year, 1996.

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

**The Temporary Deputy Speaker** (Mr. Wetangula): Order, Mr. Mathenge! Let him finish.

**Prof. Ng'eno:** Mr. Temporary Deputy Speaker, Sir, Giagatika-Ngandu School-Kiamariga-Sagana State Lodge-Kiganjo Town, which is about 34 kilometres; we have sent Kshs534,520 to do the patching and repair work. On Mathaithi (off Karatina)-Tumutumu Mission-Kiamuthenga-Nyeri Main road was last patched in May, 1995, and, therefore, it is in a better situation. Nyeri Town-Tetu Mission Road has been allocated Kshs333,960 for the same kind of patching work.

Nyeri Town-Mathari Mission-Ihururu Road is in good condition except for a few isolated potholes which are being patched right now. The Gatitu-Kagumo-Mukurweini Road is being patched and work will be completed in two weeks time. This Financial Year some Kshs100,000 was allocated for this road.

Mr. Temporary Deputy Speaker, Sir, the Kagumo-Kangubiri Road was constructed in 1992 and it is in good condition except for a few isolated potholes which will be patched in July this year. So we are doing the best we can.

**Mr. Mathenge:** Mr. Temporary Deputy Speaker, Sir, how seriously can one take this Minister because those roads are full of potholes and he says that they have been patched? When were you there last?

**Prof. Ng'eno:** Mr. Temporary Deputy Speaker, Sir, I have not been there lately but I am planning to visit there since the only province which I have not visited is Central Province and I will be visiting it soon. But I must believe the answer given because my officers have visited the area and I must assume that the answer given is correct.

**Mr. Wamae:** Mr. Temporary Deputy Speaker, Sir, it appears that the hon. Minister is not serious today. He is usually a serious man. I am saying this because he has said that he has not passed through these roads and there are so many potholes and therefore the information that you have been given by your officers in the field is wrong. Would it not be in order for you to go and bring a correct answer because you have been misled by your officers?

**Prof. Ng'eno:** Mr. Temporary Deputy Speaker, Sir, if the hon. Member is saying that the answer I am giving is contrary to what is actually on the ground, then I will be able to know when I make a visit in the near future to the area.

**Dr. Otieno-Kopiyo:** On a point of order Mr. Temporary Deputy Speaker, Sir. The Minister is getting himself into trouble all the time. Is he aware that out of ten Questions on the Order Paper, four of them concern



his Ministry. This indicates that the whole House is dissatisfied. 40 per cent of the Questions on the Order Paper are for his Ministry and he is constantly misleading the House and everybody is complaining about it. Does he realise this?

**Prof. Ng'eno:** Mr. Temporary Deputy Speaker, Sir, first of all the fact that there are four Questions for my Ministry today, a situation that does not happen everyday, is in fact an indication that roads are very important in the country and I want to tell him that. Everyday we have a question concerning my Ministry because roads are one of the most important items for development in this country and I accept that, as a fact.

**Mr. Falana:** Mr. Temporary Deputy Speaker, Sir, would I be in order to ask the Minister to go back and answer this Question properly because he has never been to Central Province as he has confessed. I always pass through Central Province when I am on my way to my constituency in Marsabit and his are the wrong views and I concur with hon. Mathenge that there is no repairs going on those roads particularly the road from State Lodge Sagana to Kiganjo which is in a pathetic state for it is terrible; it is finished. Therefore, it is very misleading when the Minister stands here and says that money has been spent on those roads and the potholes have been patched. It is not true. Would I be in order to ask him to withdraw that answer now and go and check and then come back to this House with the correct answer.

*(Loud Applause)*

**Prof. Ng'eno:** Mr. Temporary Deputy Speaker, Sir, I will not withdraw the answer but I will undertake to send more credible engineers to bring me the report and I will inform the House.

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

**The Temporary Deputy Speaker** (Mr. Wetangula): Order! Yes Mr. Michuki.

**Mr. Michuki:** Is it in order after the Minister has read all that was written for him to tell this House that the information came from sources not credible, and, therefore, he is going to look for more creditable sources so as to give information as always?

**Prof. Ng'eno:** Mr. Temporary Deputy Speaker, Sir, I am saying that perhaps a more senior engineer might come with a little bit better answer.

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

**Mr. Falana:** Mr. Temporary Deputy Speaker, Sir, I am a Deputy Government Chief Whip. Who can be a better engineer than me as far as my information on that road is concerned? Does the Minister need to confirmation from another source? We are in a very serious session and we do not want embarrassing questions that will embarrass our session and these are things that you cannot hide. They are factual. There are potholes on these roads and there is no better confirmation from an engineer than the words that come from the Deputy Chief Whip of this Government.

*(Applause)*

**Prof. Ng'eno:** Mr. Temporary Deputy Speaker, Sir, with all due respect to the Deputy Chief Whip, I do not answer this House with information from the Chief Deputy Whip but I answer with information with my engineers in the Ministry.

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

**The Temporary Deputy Speaker** (Mr. Wetangula): Order! Rev. Ommani's Question.

*Question No. 333*

LEGAL OWNER OF LR NO. 753

**Mr. Magwaga**, on behalf of **Rev. Ommani**, asked the Minister for Lands and Settlement:-

- (a) who was the legal owner of LR No. Wanga/Khalaba/753; and ,
- (b) whether the Minister was aware that there was a dispute on the ownership of this land and there are some irregularities caused by the land office in Kakamega.

**The Assistant Minister for Lands and Settlement** (Mr. Sumbeiywo): Mr. Temporary Deputy Speaker, Sir, I beg to reply.

- (a) The registered owner of L.R. No. Wanga/Khalaba/753 is Jackson Nelima Were.

(b) I am aware that there is a dispute concerning the ownership of the land between Jackson Nelima Were and Hezekiah Mukhoya Gubwoli, son of the late Gubwoli Kasami.

I am not aware that the dispute is as a result of irregularities caused by the Lands Officer in Kakamega. If the hon. Member has some any evidence to that effect, he can present it to me for investigations and appropriate action.

**Mr. Magwaga:** Mr. Temporary Deputy Speaker, Sir, I am happy with the answers to (a) but as regards (b), I am not because the Assistant Minister must be aware that the Lands Office in Kakamega assisted the son of the deceased who sold this land to the owner of this plot which bears the number 99 in 1970, that is twenty six years ago. The Ministry of Lands reinstated the old title deed and gave it to the son. How could I present these documents when they are in his Ministry?

**The Temporary Deputy Speaker** (Mr. Wetangula): You have not asked any Question there.

**Mr. Magwaga:** I am asking him how I can present the documents which are already in his Ministry.

**Mr. Sumbeiywo:** Mr. Temporary Deputy Speaker, Sir, according to the records, the original owner of the land was the late Gubwoni Kasami who before his death transferred the land to Jackson Nelima Were in November, 1970 for an exchange of Kshs2,450. This plot together with Wanga/Khalaba 752 is part of the former larger plot Wanga/Khalaba 99 which belongs to Gubwoni Kasami who has since died. His son, Hezekiah Mukoya Gubwoni now claims that Nelima Were is a trespasser on the land. The Ministry is not a party to the dispute.

### QUESTIONS BY PRIVATE NOTICE

#### DEGAZETTEMMENT OF HEALTH FACILITIES

**Dr. Otieno-Kopiyo:** Mr. Temporary Deputy Speaker, Sir, I beg to ask the Minister for Health the following Question by Private Notice.

(a) In view of the fact that many medical facilities in Nyanza and Western provinces have been de-gazetted under the provisions of Section 29 of NHIF Act and the Government facilities in these areas cannot cope with the total patients' in-load, could the Minister consider taking urgent steps to provide these areas with increased medical supply as well as personnel in order to stem potential medical crisis in Nyanza and Western provinces?

(b) Could the Minister further consider re-gazetting the said facilities to enable them re-commence treatment to NHIF card holders?

**The Minister for Health** (Mr. Angatia): Mr. Temporary Deputy Speaker, Sir, I beg to reply.

(a) Degazettement under the provisions of Section 29 of NHIF Act does not mean closure of medical facilities. The services can go on because these facilities are still licensed under Chapter 263 of the laws of Kenya but the facilities---

**Mr. Michuki:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for a Minister of the Government to answer questions away from the Dispatch Box which is here?

**The Temporary Deputy Speaker** (Mr. Wetangula): Are you unable to hear him? There is no rule that the Minister must speak from here, he can do it from anywhere.

**The Minister for Health** (Mr. Angatia): Mr. Temporary Deputy Speaker, Sir, I beg to reply.

(a) The De-gazettement under the provisions of Section 29 of the National Hospital Insurance Act does not mean closure of medical facilities. The services can go on because the facilities are still licensed under Chapter 253 of the Laws of Kenya. But the facilities cannot claim National Hospital Insurance Fund (NHIF) reimbursement. Patients with NHIF cards who receive medical treatment in those same facilities should claim reimbursement directly from NHIF and therefore there is no argument for increased in-load in Government facilities in Nyanza and Western provinces.

(b) The re-gazettement of these facilities will be considered when their cases of fraudulent claims against NHIF have been heard and determined by the courts.

**Dr. Otieno-Kopiyo:** Mr. Temporary Deputy Speaker, Sir, I am not surprised that the Minister has answered this Question this way. The thrust of my question is rather economic, the question of those patients not being able to pay cash for services being rendered by those facilities. That is why they are registered as insured patients through NHIF. Now, he is asking them to pay cash, if they cannot pay cash, they have to go to a Government hospital which may offer that service for free. That was the thrust of my question. So, what is the current patient in-load take, for example at Kakamega District Hospital if there has been increment?

**Mr. Angatia:** Mr. Temporary Deputy Speaker, Sir, I did not hear what he said.

**Dr. Otieno-Kopiyo:** You have said in your answer, Mr. Angatia, that there is no argument for increased

in-load in Government facilities in Nyanza and Western provinces. I want to take Kakamega District Hospital that is nearer to you, and I know you do not do enough research so, I give it to you very easy. Tell me, what is the current in-load for patients at Kakamega District Hospital?

**An hon. Member:** He does not know!

**Mr. Angatia:** Mr. Temporary Deputy Speaker, Sir, that is a different question.

**Dr. Otieno-Kopiyo:** Mr. Temporary Deputy Speaker, Sir, it is not a different question. Let me read his answer for him so that he can understand. He said "hence there is no argument for increased in-load in Government facilities in Nyanza and Western provinces." It cannot be a different question, it came from his own answer. I am saying, to prove that there is an increment, let him give me the figures for Kakamega District hospital. How can that be a different question?

**Mr. Angatia:** Mr. Temporary Deputy Speaker, Sir, when a Member wants figures, he asks for figures. I know for myself that during the period May to September, all facilities are overloaded, during the rest of the year, all the facilities are under-loaded, so the overload at the moment is not necessarily because of the de-gazetting of these facilities.

**Mr. Obwocha:** Mr. Temporary Deputy Speaker, Sir, three-quarters of these hospitals that were closed belong to one ethnic group. I do not know why this Government is punishing the Abagusii people. The Minister is collecting Kshs2 billion a month and for 20 months, he has already collected over Kshs33 billion, which is lying idle; the people of Western Kenya want to benefit from that money. Could the Minister tell this House whether there is any justification for people of Western Kenya continuing to contribute to this scheme of the NHIF?

**Mr. Angatia:** Mr. Temporary deputy Speaker, Sir, when the police went to these hospitals to close those which were fraudulently claiming, I am not aware that they thought of ethnic background. I think they just went to people who were claiming fraudulently. So, I am not aware that three-quarters belong to a particular ethnic group. The people of Western Province, like people of the rest of this country, are entitled to contribute to NHIF so that they can benefit when they go to hospital by making claims to the Fund. It is very clear that there are still other institutions in those same areas which are eligible, they have not been de-registered, and they are reimbursing money without any problems. There are hospitals there which also use the same facilities in NHIF, but as I have said in (b), as soon as the prosecutions are over, these institutions will be re-inspected and they will be restored to claim if they are found to be properly functioning.

**Mr. Otieno:** Mr. Temporary Deputy Speaker, Sir, the Minister is aware that the de-gazettement is already a punishment to contributors of the Fund. I know the Minister is also aware that these hospitals mushroomed because of inadequate Government health services; both in terms of content and quality Government services and in distribution of those Government facilities. The Minister then concentrates his fraud investigations in Nyanza and Western Provinces and closes a large number of hospitals. Could he tell us why the double punishment? Why do you not allow the criminal cases to go on, and sometimes they may take even five years, but give the public the opportunity to use the facilities in which citizens have invested large sums of money for the service of the community?

**Mr. Angatia:** Mr. Temporary Deputy Speaker, Sir, I am actually impressed to hear that from my former colleague. Something very strange is that there are hospitals which were established because they were licensed to treat patients, they thrived on these claims and after we put a little stop on the claims, they have collapsed. This is very strange. It is as if these institutions were built specifically for NHIF. If we confirm that this is the case, they have no justification for existing. The Member who has asked this Question knows that I recently gazetted a very big hospital in South Nyanza. I think it is Bondo, and gave it a huge claim and people are using the facilities and they are quite happy, but the little facilities---

**Mr. Mak'Onyango:** On a point of order, Mr. Temporary Deputy Speaker, Sir. The Minister is wilfully evading answering the question put to him. The question is: Could the Minister consider allowing these facilities to operate so that wananchi who are the contributors to the Fund can continue using these facilities instead of suffering for no fault of their own?

**Mr. Angatia:** Mr. Temporary Deputy Speaker, Sir, I was proceeding to answer the question. I do not know why the point of order was raised. I was very much ready to answer it. New facilities which can justify the existence are coming up and we are gazetting them quite happily. These facilities, if they fraudulently claimed, there is no way they can be re-gazetted. There was an institution like this one in Bungoma, the worst of all. Whenever inspectors went there, he collected children from the schools nearby and put them in bed and paid them. When the inspectors went away, he paid these children money to go back to school and the hospital remained empty with about 20 beds when he is claiming 400 beds. You cannot reinstate a person like that. You have to investigate, let him be subjected to the law, when the law has cleared him, he will be entitled to his

right to run the hospital.

PURCHASE OF RAHIMTULLA TRUST TOWER

**Mr. Anyona:** Mr. Temporary Deputy Speaker, Sir, I beg to ask the Minister for Agriculture, Livestock Development and Marketing the following Question by Private Notice.

(a) Is the minister aware that tea farmers in Kisii, Nyamira and throughout the country are dissatisfied with the manner in which the Kenya Tea Development Authority (KTDA) purchased Rahimtulla Trust Tower without the consent or knowledge of the farmers?

(b) Is the Minister aware that the farmers are now being coerced by KTDA to sign declarations that they had consented the purchase of Rahimtulla Trust Tower and authorised deductions from their dues for the purchase?

(c) What was the purchase price of the Rahimtulla Trust Tower and was the purchase authorised by the Ministry and the Treasury as required by Section 12 of the State Corporations Act (Cap.446)?

**The Assistant Minister for Agriculture, Livestock Development and Marketing** (Mr. Saina): Mr. Temporary Deputy Speaker, Sir, before I reply to this Question by Private Notice, I would like to correct one figure which is in the answer. The price of this building is Kshs210 million and not Kshs120 million. Sir, I beg to reply.

**Mr. Anyona:** On a point of order, Mr. Temporary Deputy Speaker, Sir. If you can remember, this Question was half-answered yesterday and the figure that went on record was Kshs120 million. Today, the Assistant Minister wants to change that figure from Kshs120 million to Kshs210 million. How are we to believe that these figures are genuine and not fictitious figures he is manufacturing out of his head?

**The Assistant Minister for Agriculture, Livestock Development and Marketing** (Mr. Saina): Mr. Temporary Deputy Speaker, Sir, with all due respect to the Member for Kitutu Masaba, to correct an error is not actually a negligence. With the permission of the Chair, I beg to reply.

(a) I am not aware of the dissatisfaction of the tea farmers on the manner in which KTDA purchased the Rahimtulla Trust Tower. On the contrary, KTDA has a full mandate of the tea growers through their elective representatives. Following the mandate and after extensive consultations, KTDA purchased the Rahimtulla Trust Tower.

(b) KTDA is not coercing farmers to sign any declarations to the effect that they consented to the purchase of the building. What farmers are signing are share application forms for the same project. Already, about 98 per cent of the total shares had been subscribed and paid by willing growers. Once this process is completed, the shareholders will become the owners of the building.

(c) The purchase price of the ten-storied building was Kshs210 million and has the approval of the KTDA Board and my Ministry. The building was purchased by growers first in furtherance for small holder tea cultivation and procured in accordance with the KTDA order and not the State Corporations Act (Cap.446).

**Mr. Anyona:** Mr. Temporary Deputy Speaker, Sir, first of all, there was no consent of the farmers. Secondly, these forms are not share application forms, but letters asking these people to declare that they consented in 1992 to the deductions of their money contrary to their own wishes.

I want to concentrate on part "c" of the answer. I have asked what the purchase price of the Rahimtulla Trust Tower is and whether the purchase was authorised by the Ministry and Treasury as required by Section 12 of the State Corporations Act or not. Now, if you look at the answer given by the Assistant Minister he is saying that this sale was approved by the KTDA Board and his Ministry. In the second part he says that it was procured in accordance with the KTDA order and not the State Corporations Act. Now, the truth of the matter is that KTDA is a parastatal which operates under the State Corporations Act and with your indulgence, I will read Section 12 of the Act.

"No state corporation shall without the prior approval in writing of the Minister and the Treasury, incur any expenditure for which provision has not been made in an annual estimate prepared and approved in accordance with section 11".

He is confirming that this was not done under that Act. He has said so himself in the answer and yet it is mandatory in the Act that the authority of the Minister and the Treasury is required. In view of the fact that this sale is in contravention to Section 12 of the State Corporations Act, in which case it is an illegal purchase, will he comply with the law, cancel this purchase, and consult the farmers?

**Mr. Saina:** Mr. Temporary Deputy Speaker, Sir, this was a simple transaction. The farmers who are the subscribers and growers of tea---

**Mr. Anyona:** On a point of order, Mr. Temporary Deputy Speaker, Sir. What I am saying is that the purchase is illegal in accordance with Section 12 of the State Corporations Act, and in that case, I am asking whether he will cancel it and do what the law requires. That is all I am asking for.

**Mr. Saina:** Mr. Temporary Deputy Speaker, Sir, I do not think there is anything illegal. If the hon. Member can allow me to clarify the whole transaction, I would be glad. First of all, the farmers responded to the offer---

**The Temporary Deputy Speaker (Mr. Wetangula):** Hon. Saina, we have run short of time and in view of the issue hon. Anyona is raising on that Question, it is the view of the Chair that you prepare a Ministerial Statement on the issue and bring it here sometimes next week so that we can go to the next business.

### POINT OF ORDER

#### "BLUE STAR" TATTOO SOLD TO SCHOOL CHILDREN

**Mr. Ojode:** On a point of order, Mr. Temporary Deputy Speaker, Sir. I rise to seek a Ministerial Statement on a serious matter that affects the lives of our children. I have received some warning letters distributed to the pupils to hand them over and share them with their parents. The warning letter reads:-

"A form of tattoo called "Blue Star" is being sold to school children. It is a piece of paper containing a blue star. They are the size of a pencil eraser and each star is soaked with LSD.

The drug is absorbed through the skin simply by handling the paper. There are also bright coloured pictures of the following:- Superman, Mickey Mouse, Clowns, Disney Characters, Bart Simpson and butterflies. These are laced with the drug.

The symptoms are:- hallucinations, severe vomiting, uncontrollable laughing, mood changes and changes in body temperatures".

Could the Minister clarify this matter before long?

**The Minister for Health (Mr. Angatia):** Mr. Temporary Deputy Speaker, Sir, I will find out the matter and bring an answer.

**The Temporary Deputy Speaker (Mr. Wetangula):** When will you bring the statement?

**The Minister for Health (Mr. Angatia):** Next Thursday.

**Mr. Ojodeh:** On a point of order, Mr. Temporary Deputy Speaker, Sir. This matter involves the lives of innocent pupils of this country. I will lay the document officially on the Table for any Minister to have a look at it. Could the Minister give an assurance that he will give us the reply today or latest, Tuesday?

*(The document was laid on the table)*

**The Minister for Health (Mr. Angatia):** I am glad the hon. Member clarified the matter. This looks like a document that has just been picked up from somewhere. I cannot see the authenticity of the document.

**The Temporary Deputy Speaker (Mr. Wetangula):** Order! The Chair will also take judicial notice of the existence of that document. In fact, it has been in the Kenya Broadcasting Corporation (KBC) news that the Police are investigating the matter and I think that your asking for time up to Thursday is not too much. I will give you time up to Thursday to make a comprehensive statement to the House.

**The Assistant Minister for Transport and Communications (Mr. Morogo):** On a point of order, Mr. Temporary Deputy Speaker, Sir.

**The Temporary Deputy Speaker (Mr. Wetangula):** Hon. Morogo, we have run out of time, you will make your statement next week. Next Order!

### COMMITTEE OF WAYS AND MEANS

*(Order for the Committee read)*

### MOTION

THAT MR. SPEAKER DO NOW LEAVE THE CHAIR

*(The Minister for Finance on 18.6.96)*

*(Resumption of Debate interrupted on 19.6.96)*

*(3rd Allotted Day)*

**Mr. Michuki:** Mr. Temporary Deputy Speaker, Sir, thank you very much for granting me the opportunity to make my general observations on the proposals before the Committee of Ways and Means, about the Budget Speech which the Minister for Finance introduced in this House on Tuesday.

As I had said earlier when being interviewed by the newspapers, what I have now found out from the Minister's Speech is that his aim was to rationalise the taxation programme of this country. To a certain extent he succeeded, but nonetheless, his Speech contains some contradicting policies.

For example, the Minister decries the decline in the level of national savings. He goes as far as saying that the savings declined from 18.5 per cent to 16.6 per cent. The ideal situation is that the level of savings should be 30 per cent of GDP. The Minister would like to see the level of savings reach the normally accepted percentage, which is 30 per cent. Yet, the Minister has imposed a tax of 20 per cent on interest earned on certificates of deposits, thereby, discouraging the level of savings being achieved by that very act. That is where the contradiction is. What the Minister ought to have done is to bring the level of taxation to a lower figure. He should have reduced the 10 per cent that was prevailing then, maybe, to 5 per cent in order to encourage savings. I find this very strange, Mr. Temporary Deputy Speaker, Sir. Indeed, it is very strange and contradictory to the whole objective of his policy enhancement.

Also, in the monetary sector, there is the question of interest rates, which is worrying almost everybody who knows about money in this country. The rate of interest rates in this country are too high. Indeed, it is a contradiction, when you look at it from the level of inflation. The Minister says that inflation has gone down to something like 5 per cent. But then, this is not reflected in the cost of money. The main reason which has been identified, and even brought to the attention of the Minister, is the fact that the Ministry of Finance, through the Central Bank, is paying what is really out of step, very high interest rates in relation to Treasury Bills. In this instance, it is not only that the level of interest rates allowed in the Treasury Bills is keeping interest rates in the commercial banks high, but it also increases the amount of payments that the Government has to make to the commercial banks, in return for having had their Treasury Bills subscribed to. Therefore, all these contradictions do not appear to have been harmonised in this Budget and in particular, the question of savings, whereby interest on savings is taxed. The Minister should in all fairness, bring an amendment to his proposal here if, indeed, his intention is to encourage Kenyans to save.

The other unfortunate issue that I would like to raise concerns the Road Maintenance Levy, which has once again gone up. I do not want to talk very much about it because a lot has been said about it, but in all fairness, the Minister ought to make a public or Ministerial statement, detailing how the money he has so far collected has been spent. He should tell us where it has been spent and on which roads. This is because, we are having too many questions about roads in this House, on which completely unsatisfactory answers are given. It is only fair that we should expect a statement from the Minister, with regard to such huge sums of money, which continue to be levied without any visible results in terms of maintenance of roads.

In the 1995/96 Budget Speech, the Minister promised that he would not bring any supplementary estimate. He has broken his promise because he brought a supplementary estimate this year. If you look on page 6 of his Speech, he is telling us that his fiscal policy in future, is to ensure tight fiscal policy regime. It reads as follows:

"I intend to maintain a tight fiscal policy regime. This should encourage growth by ensuring economic stability"

I hope he will be able to keep his word. We should not expect any changes interfering in the next few years, if what he says here is to be achieved. I find it rather strange that, with so many unforeseen circumstances ahead of him, he should actually make such a bold statement. Perhaps, he might wish to elaborate on this, when he comes to reply to the comments made in this House by hon. Members

I am rather disappointed, and I think the figures that have emanated from our statistics office, remain highly suspicious. I wonder whether we would take the Minister seriously, when he says that the capital formation during the year went up by 2.4 per cent. What investments have caused this? Where have they come from? We know through our committees and our personal observations, about the wastage that goes on in the Government. There is Misuse, or misdirection, of public funds. Given that the Government is a major spender but that now it is spending its money in the wrong direction, where did this growth come from? Could he clarify

this? The figure of 2.5 is just too small to be seen as anything tangible that could have been achieved over a period.

Therefore, I would like to make the final point. It is to request the Minister for Finance to restore discipline within the Civil Service in so far as public funds are concerned. We have no drugs in hospitals. Roads continue to deteriorate. Our education system still requires a lot of investment and not the little increase of 10 per cent that the Minister has proposed. We can do all these things if we take care of the tax payer's money, which is plentiful. It is, indeed, more than what the Minister estimates it to be. It is more than the over seven billion pounds that he estimates it to be. This economy is capable of yielding more taxes. But the very method of using that tax money is discouraging people from payment of taxes. It is promoting tax evasion because people find that they do not get benefits from what they pay.

With those few remarks I beg to support.

**The Minister for Research, Technical Training and Technology** (Dr. Onyonka): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me an opportunity to also make a contribution to the Budget debate. First, I would like to congratulate the Minister for Finance for some of the past measures which have introduced balance to our national economy. However, there is still a lot to be done. In particular, I would like to point out that these measures will have to be sustainable for us to gain long-term dynamism that is required for this country's economy to develop, and ultimately eliminate widespread poverty among our communities.

It is important for me to emphasise the fact that, while maintaining vigilance and tight control over monetary and fiscal policies, we might allow for adequate flexibility because it is true that circumstances change from time to time. It is a situation where prudent management is a must. We can hardly afford to go back to some of our past excesses, particularly in the expansion of money supply, which resulted in very high rates of inflation and thereafter what looked like economic chaos. Economic stability is a precondition to long-term sustainable development. That is one thing that the management of the economy is going to require. There are the expected "dos and do not dos" because it is evident that once we stray away from the desired course, it is extremely difficult to come back to it. There is ample evidence from so many other countries to show that once an economy goes astray, getting it back on the rails is a very formidable undertaking. But at the same time, and despite the fact that we have so many things happening with respect to privatisation of some of our state corporations and structural adjustments generally, it is only through a consistent and determined effort that we are going to reap the benefits of medium and long-term growth. Let us not expect miracles. Now that the economy is getting back on the rails, it has got to be firm on them for us to realise sustainable rates of growth.

Mr. Temporary Deputy Speaker, Sir, it is, therefore, important that we look around for some of the shortcomings. It is quite clear that something urgent needs to be done about our road network. We have constructed, I would say to a large extent, what I would consider an adequate network of roads. But if we have roads that are not passable during 80 per cent of the time, then they are not roads at all: They are just paths. The truth is that this is like having a building which we call a dispensary, but which has no drugs. That is not a dispensary and it is more appropriate to call it a building. So, roads that are not passable at all--- You know in a place like Kisii District where I come from, we have torrential down pours of rain almost every month throughout the year, and so, grading a road really does more damage than anything else you can think of. It is better even not to grade it. So, it is better to grade it and do a bit of murraming or patching up. Otherwise we will end up in a situation where matatu operators and other people have a very difficult time.

I think our main problem today is road maintenance as far as infrastructure is concerned. We need to develop a progressive maintenance system, so that even a poor path of a couple of years becomes a good road. We should not go backwards. In many places we seem to be going backwards. What were roads are now becoming patches of roads or paths. That is not going to help economic and social development in this country.

With those remarks, I would like to turn briefly to one or two issues which affect my constituency in particular. It is quite some time now since it was agreed that we should have a new tea factory in what was then known as Marani Division of Kisii District. For mysterious reasons that I do not understand, we do not have the tea factory and our tea does not even get collected. I am very curious and would like to know why even our tea does not get collected, even when the roads are passable. I have been in that place over the last one or two months and seen that the tea hardly gets collected. Wananchi have to spend nights sitting beside their baskets of tea. So, what happened to our tea factory?

As the Member of Parliament (MP) for the area, I have written six letters to the relevant authority within the Kenya Tea Development Authority (KTDA). Does it mean I have no right of reply? Then that must be extreme arrogance! As a Minister, I am entitled to a decent reply even if I do not agree with the contents. I have written six letters without getting a reply! The next time you hear of the number of tea factories to be built in Kenya, ours might not even be mentioned. Now, we cannot run public affairs like that. That applies to all of us,

including myself. I think a writer of a letter is entitled to a reply. What is going on in the KTDA, only God knows. But for goodness sake, do not deny my people a factory because I am their MP. Tomorrow, I will be gone and the people will still be entitled to their factory. Long after we are all gone, the factories will remain. I have got accustomed to a lot of funny things. I even understand that people get paid money to go and abuse me in the streets! They have sold their consciences but that does not bother me! It is blood money which is used, any way. One time I was almost butchered; by the way, you might recall this. Thereafter I was told I was guilty. But what about the sponsors of the thugs?

**The Temporary Deputy Speaker** (Mr. Wetangula): Dr. Onyonka, what has that to do with the Budget?

**The Minister for Research, Technical Training and Technology** (Dr. Onyonka): Yes, I am saying it because we need orderly administration, whereby people do not spend public money to go demonstrating in streets and abusing others, when they have no permits to do so! In any case, it seems that it is the poor who get a pittance to do it.

Mr. Temporary Deputy Speaker, Sir, this is the message I would like to send across: That we should exercise an element of decency and fairness, otherwise, we will have the law of the jungle in charge. I want to emphasise that my people do not eat "fitina". My people want their tea factory, their tea collected, their roads graded or patched up and so on. But otherwise, we would like to see a situation where under-development of the roads eventually becomes a thing of the past. It does not matter who passes there, whether you are in Government or in the Opposition, we all want good roads. I hope we shall spend more time grading those roads and not just debating them.

Mr. Temporary Deputy Speaker, Sir, I think this House, and the Government generally, is doing its best to provide funds, but let us get the roads done. Promising week after week, month after month, year after year in the long run we are all dead and we will see no good roads, no tea factory. Let us become serious with our development efforts. I think we are getting the right framework, but let us use the right framework to get these things done. Whether they are in Jua Kali which concerns my Ministry, whether it is roads or schools we must strive to excellence; to improvement. Let us move the country forward. And no verbal defence will solve problems. It is the actions that will convince so many; that will give people hope and that is one thing our people need more than anything else. If we do not have the things they need now, give them the hope but be seen to be doing what will actually turn dreams into reality.

Mr. Temporary Deputy Speaker, Sir, I do not have much to say, I wish I could get my people's tea factory. Thank you.

**Mr. Murungi:** Thank you, Mr. Temporary Deputy Speaker, Sir. Let me first congratulate hon. Dr. Onyonka for making a very good speech. I wish we could all make speeches like this.

Mr. Temporary Deputy Speaker, Sir, there is a big credibility gap in the Budget Speech. Although we are all called Kenyans, we tend to live in two different countries in this country called Kenya. First, there is the beautiful Kenya where the Minister for Finance, top KANU bosses and other Ministers live; where there are no problems of hunger and where people are generally happy. There is another Kenya where ordinary Kenyans live. There is another Kenya where people are poor, where people live in great difficulties and it is that Kenya which I want to talk about. In that other Kenya, people do not really care about statistics, they do not care about growth rate, about balance of payments and they also do not care about debt reduction.

Mr. Temporary Deputy Speaker, Sir, as the Minister was reading the Budget Speech here, and drinking water, several questions were going through the minds of ordinary Kenyans. These are very important questions. People were listening to hear from the Minister whether the cost of *sukuma wiki* has gone up or down. They were also expecting to hear from the Minister whether the cost of charcoal has gone up or down. There is also the question of matatu fares. Are the matatu fares going to go up or are they going to go down? How about the garbage in Nairobi? Are we to wait for a whole President to come and collect garbage for us?

Mr. Temporary Deputy Speaker, Sir, people in the rural areas are asking the same question that hon. Dr. Onyonka was asking: Are our roads going to be graded or are they not going to be graded? Tea farmers are asking whether they are going to be paid their tea bonus this year or whether it is going to be stolen. There is even a more urgent question: Is the chief still coming to collect the harambee money for the National Youth Development Programme or are the chiefs not going to come this time? These are the questions which worry the common man and woman in this country; it is not the 4.9 per cent growth rate in GDP and so on. The common man's and the common woman's Budget has never been debated in this House. We are always addressing ourselves to external factors; to the World Bank and the International Monetary Fund; whether the loans are being paid, whether there is budget deficit and that kind of thing. These things are Greek and Chinese to our people. So, I would urge the Minister, when he makes a similar speech next year, to come down to earth and address the people in the language that they understand and talk about issues which concern them in their daily lives.



Mr. Temporary Deputy Speaker, Sir, I would also urge the Minister to come up with fresh ideas on how to empower our people and on how to make them agents of their own development because, even if we stay for a billion years, the World Bank, the IMF and other donor agencies will never remove Kenyans from the death trap. It is we ourselves who have to remove ourselves from that trap. Maybe the question we should ask is, who gives aid to the Americans and the British? Until we reach a conclusive answer to that question and find out how those people survive, we here are going to continue wallowing in the mud of poverty and despair and you will die on your knees praying to the "god" of World Bank and IMF to come and save this country. That is the first point I wanted to make.

My second point, Mr. Temporary Deputy Speaker, is about infrastructure. It is as if hon. Dr. Onyonka was reading my mind. The people of this country cannot live on promises that are never fulfilled. Where I come from, Kenyans are sick and tired of promises made in this House year after year about improvement of rural access roads, and maintenance of public roads in this country. We thought we were solving a problem by passing the Road Maintenance Levy Act. No road was maintained with the Road Maintenance Levy. The Road Maintenance Levy funds did not build any road. They have built an airport. The Road Maintenance Levy has not built any road, maybe it is part of the money being used to construct the armament factory in Eldoret. Even with the increase in this Road Maintenance Levy which has caused our petrol price to shoot up, we do not expect this Government do improve any road in the next coming year. We are going to have Supplementary Estimates which will reallocate even the funds which we have allocated to roads to other "more important and more urgent projects." So, where I come from, in Meru, we consider this Government a one-handed bandit which has only one hand for taking from the people and not returning anything to them. We are tired of giving out everyday and getting nothing in return. When we voted Kshs10 million for survey of the Meru-Chogoria Road last year, the civil servants came back after a few months and took away Kshs8 million and allocated it to other projects. We were left with only Kshs2 million which we were told to use to gravel the road.

Mr. Temporary Deputy Speaker, Sir, we are producers of coffee, tea, milk, timber but---

**An hon. Member:** And miraa!

**Mr. Murungi:** And miraa, and all these proceeds; the taxes that are collected from the Meru people are used to enrich people from other areas.

Mr. Temporary Deputy Speaker, Sir, these promises have not only been made to Meru people, but KANU Government has promised Somalis good roads, it has promised the Kambas good roads and even to Central and Nyanza Provinces. But, I am yet to see any community which the KANU Government has fulfilled its promises to. Even hon. Prof. Ng'eno, the Minister for Public Works and Housing, was complaining about roads in his constituency. So, if the Minister is complaining, we wonder which roads are being maintained.

Mr. Temporary Deputy Speaker, Sir, we should think carefully because one day, we might wake up and decide to declare the "Independent Republic of Meru" so that we collect taxes of Meru people and we maintain the roads for the Meru people. The Government should not drive us to reach to that position.

There is also the question of investment climate. The Minister for Finance very conveniently avoided this thorny issue. We cannot talk about economic growth or, economic development in a vacuum. Economic development takes place within a certain political context. Part of the reason why our economy had gone down and we had to borrow all this money from donors is because we did not address properly the issue of investment climate. Which foreign investor will put his money in all this corruption in this country? Which local investor is going to invest his money in this corruption? Who is going to invest in this thuggery and lawlessness? Unless we address the issues of the rule of law, law and order, constitutional reform, free and fair elections, and so on, no investors are going to put their money in this country because the future of the country will remain uncertain. This is the time to address this issue because there are no investments going to Somalia, Rwanda or some parts of Sudan because they did not address their political context.

That is all what I wanted to say. Thank you very much.

**Mr. Otieno:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to make a few remarks on the Budget Speech.

I would like to say that the Minister did present a very good Budget with the right theme: Macro-economic Stability for Investment and growth. I hope that we are all aware that macro-economic stability alone will not ensure growth, that macro-economic stability alone will not bring those investments and at no time should we be complacent as to feel that once we have got macro-economic stability, growth is automatic in the system. Certainly, it is not.

What businessmen fear most is called uncertainty and more so the uncertainty that they cannot measure. We have to realise, as a country, that all the reform efforts at economic level will not help us if we continue to convey an impression of confusion, be it at political or social level, or in the case of law and order.

As of now, in terms of economic policy, I agree with the Minister fully, but I am also afraid that the accounting officers are going to let the Minister down. Expenditure effectiveness is very poor, we must all admit. The Government is not getting value for its money, and it is time we designed measures for expenditure effectiveness for every Government service that is intended to benefit the people. If we intend to give hand-outs to the people, it is up to them to decide what they do with it. But, if we intend to generate some output in the income, then we must have a measure for our expenditure. As of now, unless, we refocused leadership attention in putting our people to work, I do not see that growth coming our way.

In fact, the people who have benefitted so far from macroeconomic reform have been the traders; the commerce and services in this country growing at 7 per cent or 8 per cent. but real production is not moving, be it in agriculture or in industry.

Most hon. Members have mentioned the Road Maintenance Levy. Of course, there is a bit of confusion. Some think it was intended to build roads. That is separate. Road Maintenance Levy, as we know it, is intended to maintain roads. Now, the amount that can be collected is known. In fact, the Minister for Finance has told us that he intends to collect K£158 million. That is some Kshs3.2 billion. All roads in this country have been classified. We know which ones are trunk roads and how many kilometres and the vehicle traffic on them. We know which roads are primary roads, how many kilometres they are, and the traffic on them. We know which ones are secondary roads, which ones are the minor roads, which ones are the rural access roads and their length and the traffic that goes on those roads. We have to seriously consider changing the approach to road maintenance. So far, as the Minister was telling us this afternoon, he says we have sent Kshs700,000 to Kwale District and they should spend it to maintain Kwale roads. Maybe there is some rough proportion between Kshs700,000 and the different categories of roads in Kwale, but it has never worked. I have personally experienced a time when my district was given Kshs250,000, and I physically went back to check which roads were graded. I was told that the Kshs250,000 is finished, but when I tried to see the roads graded, I could not go beyond some 15 kilometres! So, in expenditure effectiveness, the Government is not getting value for its money.

It is appalling that there are things we see, there are things we know what should be done about, but still we do not get them done. Something like collecting garbage, if it needs the President to get it going, then something is wrong in our entire system and we should be very frank with each other in this regard.

*(Applause)*

Mr. Temporary Deputy Speaker, Sir, a number of hon. Members have talked about the National Youth Development Fund (NYDF). And there has been reference that this will be disbursed by the DDCs. Some time back, the DDCs disbursed some Kshs400 million in the name of "Rural Enterprise Fund." This was supposed to be a revolving fund in the sense that it was a loan to somebody, it helps you today, repay it and then it should help the next youth the following year. I doubt if a cent has ever been recovered of that money!

*(Applause)*

It is time, Mr. Temporary Deputy Speaker, Sir, that we all realise that leadership by hand-outs is not sustainable and if we are taking money and we intend to give it as hand-outs to our youth, then only the youth that will lay their hands on it the first time round will have benefitted, and here we are talking about 15 million Kenyan youth.

If you want to establish a Fund, and it should be established as it is long overdue, the method of running that Fund in a way that it benefits our youth on a sustainable basis must be agreed on.

*(Applause)*

**An hon. Member:** Yes, say it loud!

**Mr. Otieno:** Mr. Temporary Deputy Speaker, Sir, the Minister for Finance talked about continuing divestiture, meaning the sale of Government shares in companies and that the funds so realised will be used to repay Government debts. I do not know which Government debts; maybe domestic or foreign. But, these were national assets which were invested with the intention of continuing to generate employment. If we are going to take back that money from the sale of shares or the sale of Government land, and we use that money in consumption, we are going to be all the poorer. My suggestion would be that these kind of funds, or at least part of it, should be put in some venture capital fund to continue to support Kenyans to start businesses. Otherwise, our economy is slowly going deeper and deeper into the hands of foreigners, who will run on the first sound of "Shikuku fighting Dalmas Otieno"; he will go away.

**Mr. Shikuku:** No, I will never fight you!

**Mr. Otieno:** Mr. Temporary Deputy Speaker, Sir, it is time that we put in place specific measures that will ensure that the interest rates come down. At about 17 per cent real interest rate, it is difficult to borrow, and I do not know how many economies would grow with such high interest rates. I did not hear definite measures, other than a statement that Treasury Bills will be floated on the secondary market. We need more definite measures from the Treasury that will ensure that the interest comes down and that the real interest rates over and above inflation are reasonable, so that the small Kenyan can get some money he can borrow to be able to invest. It is time, therefore, that our development financial institutions are strengthened and not weakened. I did not see in the Budget any measures to strengthen the development financial institutions when we are talking of investment and growth.

I would like to say something about the Consolidated Bank. As the Government offloads shares in Kenya Commercial Bank (KCB) and the National Bank of Kenya (NBK), that bank should similarly be strengthened to be offloaded to Kenyan investors, so that in future, our banking system will be controlled by Kenyans and not by foreigners as it is, as of now.

Mr. Temporary Deputy Speaker, Sir, to me, it is really a pity that the Kenyan National Assurance Company (KNAC) has been pronounced "dead" or supposed to be "dead". It is Government action, through wrongful appointments that fit and proper people were not in charge. I feel something should be done to allay the fears of the public and to help the claimants against that company.

*(Applause)*

**Mr. Kamuyu:** Thank you very much, Mr. Temporary Deputy Speaker for also giving me a chance to air my views on this year's Budget. I would like to start by congratulating the President of this nation for initiating the cleaning up of the City. I feel upset that it had to go that far to get somebody to clean up this city. If a leader does good things, he must be told so. Cleaning up this city is a great thing for the President of this nation.

**An hon. Member:** But it took him too long!

**Mr. Kamuyu:** However, I would request that he moves away from the KANU areas such as Starehe in Kariakor, to Kawangware where there are mountains and heaps of decaying garbage. Such garbage in the background of a country with no proper medication programme is dangerous because, should there be a breakout of a disease, Nairobians will die in their millions.

**An hon. Member:** Near his home in Kibera!

*(Laughter)*

**Mr. Kamuyu:** Mr. Temporary Deputy Speaker, Sir, I would like the leaders of this nation to also follow the directives of His Excellency, the President regarding the roads and electricity. He emphasised that the Nairobi City Council is not capable of maintaining the city roads. It cannot even build one, leave alone maintaining them. For example, in Dagoretti, there are no roads. I continue emphasising that the worst roads in the City are found in Dagoretti and yet we are in the capital City. So, the Ministry of Public Works and Housing should step up their commitments and also the Kenya Power and Lighting Company (KP and LC). For instance, I know that three quarters of Dagoretti is in total darkness, you cannot believe it until you get there. That is why crime is on the increase there daily.

**An hon. Member:** The Minister is here, tell him!

**Mr. Kamuyu:** Mr. Temporary Deputy Speaker, Sir, I find it extremely ridiculous, if not idiotic, that the Ministry of Finance could increase the price of paraffin. **Mr. Michuki:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the word used Parliamentary?

**The Temporary Deputy Speaker** (Mr. Wetangula): It is totally un-Parliamentary and he must withdraw it.

**Mr. Kamuyu:** Mr. Temporary Deputy Speaker, Sir, I withdraw the word "idiotic" and replace it with "very unwise". It is very unwise to increase prices of paraffin especially at a time when charcoal is unavailable for cooking and electricity is very low. School children use paraffin for reading, and the ordinary mwananchi uses it for cooking and yet the Ministry goes ahead to increase its price. Instead of increasing the prices of cigarette and beer, they went ahead and increased the wrong item. That is why I say that this Government is going to be very unpopular, indeed.

I support my colleague as regards bank interests. There is no business turnover and the business cannot

grow with the kind of interest rates of up to 30 per cent in this country. I believe that it is the highest interest rate in the whole world and it should be re-considered. It is now time for the Government to put its foot down and say; "you must control interest rates and the prices of paraffin, petroleum and other essential commodities". At the moment, in Abu Dhabi, the international price of petroleum is falling while here, it is rising. Why is that? I have some reason to think that there is a shady deal going on between the Kenya Government, the producers, the transporters, the wholesalers and even the retailers of petroleum. When petroleum prices go up, the prices of all other related products will also start going up. It is important that the Government must now start controlling those items. You cannot wholesale say: "Yes, I will give in to what the Western countries want". Petrol adjustment systems are not working in this country at all.

Mr. Temporary Deputy Speaker, Sir, I would now like to turn to corruption. I believe right now Kenya is bleeding profusely from corruption. Corruption has now become official in this country and the Government knows it.

**An hon. Member:** Kenya is number three!!

**Mr. Kamuyu:** Yes, indeed, Pakistan is number one, followed by Nigeria and Kenya is the third most corrupt country in the whole world!

(Applause)

This has now become official as every Ministry has corrupt officers. Why is the Government allowing this?

**The Minister for Labour and Manpower Development** (Mr. Masinde): On a point of order, Mr. Temporary Deputy Speaker, Sir. Can the hon. Member substantiate his statement when he says that corruption is official? Where has the Government officiated over corruption?

**Mr. Kamuyu:** Mr. Temporary Deputy Speaker, Sir, indeed---

**The Minister for Labour and Manpower Development** (Mr. Masinde): Let him substantiate or withdraw.

**Mr. Kamuyu:** Mr. Temporary Deputy Speaker, Sir, this morning, I sent my messenger to Nyayo House for a driving licence, and he was told that he must pay Kshs4,000. It used to be Kshs3,000 until last week, but after the Budget, one has to part with Kshs4,000 for one to get a driving licence. Tomorrow, I will go with the Minister there. That does not need a lot of substantiation.

**Mr. Maore:** Department of Immigration and Kenya Ports Authority (KPA).

**Mr. Kamuyu:** Corruption is rampant in all parastatals and all Government Ministries.

Now I would like to say something briefly about the British Commissioner's recent statement. I think the British High Commissioner has messed up when he said, and I quote from today's newspaper.

**The Temporary Deputy Speaker** (Mr. Wetangula): A newspaper quote cannot be an authority for an argument on the Floor of the House.

**Mr. Kamuyu:** Mr. Temporary Deputy Speaker, Sir, I withdraw that statement, but I will read the newspaper as it is written.

**Mr. Kamuyu:** The British High Commissioner to Kenya, Mr. Simon Hemans said: "Not only was it quite clear that President Moi will win the next general elections---"

**The Assistant Minister for Agriculture, Livestock Development and Marketing** (Dr. Misoi): On a point of order, Mr. Temporary Deputy Speaker, Sir.

**The Temporary Deputy Speaker** (Mr. Wetangula): Order, hon. Kamuyu. Standing order No. 73 (1) states, *inter alia*:

"Neither the personal conduct of the President nor any conduct of Mr. Speaker or of any judge, nor the judicial conduct of any person performing judicial functions, nor any conduct of the ruler or the Government or the representative in Kenya of any friendly country shall be referred to adversely except upon a specific substantive Motion moved for that purpose."

So, if you want to discuss the British High Commissioner, bring a Motion.

**Mr. Kamuyu:** I will proceed to my next point because my time is almost over. It is very important that any diplomat must not campaign for the KANU Government here or overseas, otherwise he will be just like a KANU youth winger.

**The Temporary Deputy Speaker** (Mr. Wetangula): I have warned you against that and you are repeating it again.

**Mr. Kamuyu:** I have not mentioned names. I have just said any.

**The Assistant Minister for Agriculture, Livestock Development and Marketing** (Dr. Misoi): On a

point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for hon. Kamuyu to continue misleading this House and breaking the Standing Orders of the House by discussing a diplomat from a foreign country serving in this country in the House using very derogatory language?

**Mr. Kamuyu:** On the issue of identity cards, the Government has refused to issue identity cards properly in Dagoretti. Only 10 per cent of my constituents have been issued with identity cards. Why is that the case? It is because KANU wants to rig the 1997 general elections in advance. In the entire Dagoretti Constituency, we only have one station for issuing identity cards.

**The Minister for Labour and Manpower Development** (Mr. Masinde): On a point of order, Mr. Temporary Deputy Sir. Can the hon. Member substantiate his allegations that the Government has refused to issue identity cards in Dagoretti Constituency when we are aware that identity cards are being issued throughout the country?

**Mr. Kamuyu:** I can substantiate my claims by saying that in the whole of Dagoretti, where we have got 300,000 Kenyans, there is only one station for issuing identity cards. Anyway, one has to pay Kshs300 if one wants to be given an identity card in this area. I have done what you have asked me to do and you can ask me to substantiate that again.

I would like to emphasize the fact that this country needs unity. I believe that if this country has to have unity all communities must be united in the first place. That is why I like the Gikuyu, Embu and Meru Association (GEMA) because it is a symbol of unity. I want the Kikuyus to unite so that they can become very strong as a community because they have been discriminated against by this Government in many ways. Hon. ole Ntimama, who is seated there can substantiate that for me.

**The Assistant Minister for Agriculture, Livestock Development and Marketing** (Dr. Misoi): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for hon. Kamuyu to preach tribalism in this National Assembly? This is a National Assembly and not a tribal assembly!

**Mr. Kamuyu:** Mr. Temporary Deputy Speaker, Sir, I have a song to sing to this---

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

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

**The Minister for Local Government** (Mr. ole Ntimama): Thank you, very much, Mr. Temporary Speaker, Sir, for allowing me to contribute on this Financial Statement.

I want, in the first place, to thank the Minister for Finance for reading a very good Budget or what I can call the mwananchi's Budget. The fact that 140,000 people were given tax relief is enough evidence to show that the Minister is doing his best in trying to relieve mwananchi of their economic problems. There are many other things which I could comment on.

I wanted to talk briefly on something else. About a week ago, a local newspaper flushed a story which went on to suggest or to say that the Attorney General is in the process of bringing a Bill to this House which will seek to amend the Land Adjudication Act; especially in some areas of Maasai land which is considered to have been allocated fraudulently and also irregularly in the past.

I do not really claim to know whether this Bill is coming to this House or not. But I would say that this is going to be a very, very important Bill if it is brought to this House. I do not need to go into history, but it is true that the Maasai community suffered the most and very severely, indeed, through the hands of the colonialists.

They lost most of their land. They were driven out of better lands, and pushed into areas which were full of mosquitoes and tsetse flies. We were put into a kind of "human zoo" and were not allowed to come out of there.

We are 100 years behind everybody else. Some people have had 100 years headstart in education, agriculture and many other things. It was only 30 ago that we started getting out of that cocoon and saw what was happening in this world. This has cost us a lot. On this question of land, we were the first people also to lose land to some of our people through fraud, cheating, coercion and a system of cheating people to accept money and lose their land when they have nothing else to lean on. They have no education; they have not been trained on any technical education and, in fact, their only livelihood is land. Most of them now, through fraud and cheating, have lost most of their land. Here in Nairobi, we have got thousands of landless Maasais who have nothing to do. They have no education and even to be employed as watchmen is becoming a problem. That system has got more sophisticated.

I think this is a situation that must be looked into properly. I know that they are looking into certain areas like, Lodaria, Pirkesumei or other areas whose title deeds were issued in the Ministry of Lands and Settlement and there are no beacons on the land. The people have not seen where they were supposed to have bought land and yet the title deeds were issued in record time. Some of these title deeds have been issued in a matter of days. Most of the beneficiaries have been officers from the Ministry of Lands and Settlement. They have managed to deposit these title deeds in the banks and got millions and millions of shillings over a land that they do not know where it is and whose owners do not know that it has been sold. I am not saying that we should go over everything in this country. I think we have a reason to try and review the situation of Land Adjudication and allocation in Maasai land because our people have been cheated in broad day light. The worst culprits are the administrative officers.

Mr. Temporary Deputy Speaker, Sir, the worst culprits are the administrative officers who are supposed to protect these people and to show them the way. But they have let them down because they have been part of the racket. They have been taking most of the money that is supposed to buy this land and they have enriched themselves. Most of the District Officers who went to some offices near here, are rich people and millionaires, because they sucked and sucked the blood of the poor people who do not know what is happening. We need a review or a commission to go out and check most of these allocations and amend the Land Adjudication Act. I know that most hon. Members of both sides of this House are saying that there are some laws in this country, and I am sure, Mr. Temporary Deputy Speaker, Sir, you are one of the champions who are saying that there are some laws in this country, which are colonial laws and which must be amended because they are oppressive. This is an oppressive law. As far as I am concerned, it has oppressed our people and it is a colonial law that does not apply to our culture and tradition. It does not apply to our culture and tradition and our lands have been allocated through the elders who allocate their land culturally and traditionally, this one is a law that has been adopted from the colonialists and it has hurt us bad. I am saying it again, that I think we need a review and I am not malicious.

I think I just want directly to say that we should do justice to the people who have been wronged by some sections of this Land Adjudication Act.

Mr. Temporary Deputy Speaker, Sir, the other big problem, and I am sure that many people will support me, is the one that has been caused in this country by the people who are supposed to be members of the Land Adjudication Boards. These fellows are sell-outs and traitors. They are hand-picked by people who want to marginalise other communities. I do not think that this group of people anywhere, it does not matter which part of Kenya they are in, are hand-picked, they are sell-outs, traitors and they do not care what happens to their neighbours. In fact, I will suggest very strongly that we are a democratic country because land is a very important part of economic development, and it is actually on land that we all survive today. Most of the people in this country are farmers. Therefore, I would like to suggest and to put it before this House, that when this review comes, most of the people serving in the Land Adjudication Committees should be elected by the local people, so that they are responsible for what happens to them and they are just not foreigners who are being hand-picked to go and enrich themselves without actually having any reason at all, because they sold their own people.

I think it is also important for us, leaders, especially from this part of the world to talk loudly about some of these injustices that are faced by our own people. Most of the people have chosen to keep quiet, I do not know why. But I think it is important that we talk all of us together so that we can get this thing done. We are not biased against any community, but we think that the encroachment into the lands of our people for the purposes of marginalising and driving them into the periphery must stop. I am suggesting that this Land Adjudication in Narok and Kajiado Districts should be put on hold until a situation has been established where people can bring their genuine complaints about how they have lost their land because you will find out that a black man is the worst colonialist than a white man. When it comes really to enriching themselves on properties that do not belong to them, they are really smart.

Mr. Temporary Deputy Speaker, Sir, I want to talk about something very interesting. When I look around in my office, I do not care where a Maasai comes from provided he speaks my language, but I have got a lot of representations these days.

The other day people came to my office complaining that a certain insurance company here in the middle of Nairobi City is holding about 2,000 title deeds given by the members of the Administration to be resold to other people in this country. This is the way to ensure that the people have lost their land and are marginalised. I am appealing to the people, and our leaders to do something about this issue because we seem to agree to some of these things and we do not talk loud. But the United Insurance Company in Nairobi, owned by a Mr. Kariuki, has come out very clearly to finish the Maasai. He has done his best and I do not know whether it is a credible company at all, but it is now ensuring that we go down under, but we refuse that. We want a review of what happens to anything.

Thank you very much, Mr. Temporary Deputy Speaker, Sir.

**Mr. Ogeka:** Thank you, Mr. Temporary Deputy Speaker, Sir. Being possibly the Fourth Budget in the Seventh Parliament, it is worth noting what are the major achievements in making a Budget Speech. Preferably without support or denouncing it, I think the 1996 Budget has basically achieved heavily a public relations exercise between the Government and wananchi by, at least, giving them the hope of what would be done. But on the other side of the coin, it is worthy thinking of what achievement we have undergone in terms of the previous Budgets. I think it is more of a playboy tactic to talk of the fantastic proposals in terms of projects and at the end of the day, come with, at least, nothing to specifically indicate the achievement of the previous year's Budget. I, therefore, sum the 1996 Budget, within the national interest, as a mere public relations exercise which cannot be defended in terms of past activities. Hence the roads are down, health facilities are non-existent and so forth, as the people count them here numerically. Coming to the second achievement for the 1996 Budget, by any standards in terms of international achievement, I think it is intended as a lobby mechanism to win the confidence of the donor community to, at least, release and come in support of our limping economic activities. But will they significantly be the purpose of any worthy Budget? Really, as patriots, we have to ask ourselves and basically, I want to address myself to the main areas which the Minister touched with regard to cost saving.

I think all said and done, things would be fantastic. But we must not forget that for every debit, there is a credit. Once we promise wananchi a wonderful Budget proposal, what they will expect at the end of the day, is that they would want to know whether we have actually come up successfully with what we had said we will do. I will give one example. In Muhoroni, a road C35 was promised right back in the 1993 Budget, that it was to be tarmacked. I am talking in 1996, and up to now nothing has been done. Actually it is meant to hoodwink, while on the other hand we never fulfil what we tell them we will do. Looking at the long, nearly 70 minute Speech by the Minister, he touched mainly on areas of cost saving with particular emphasis to State Parastatals divestiture and Reform. In this sector, I will address myself to the sugar industry. We can have a wonderful reform and savings in the sugar sector, but you will never go to a place without knowing the destiny of the route. I question up to this time I am standing here, really what kind of contradictions we have had in the sugar sector. Just recently the Government made out a policy which clearly indicated that it was divided against itself. One talking of stopping the importation of sugar and another one relaxing the importation rules and thus making importation easier. So a Minister says it and another Minister supports it, although it ends up costing him his job. But we can very clearly see that there is a conflict of interest, lack of team spirit and definite policy in terms of improving the quality of a certain interested group in this country.

By any standard, in terms of cash crops, sugar comes within the major crops like tea, coffee and definitely but up to this time and in this particular year, it turned out as a clear indication that we do not have a definite policy with regard to sugar.

Second, the Minister for Finance did mention the possibility of privatising Mumias and Chemelil sugar factories. Good enough, but why, to begin with did the Government have to hold on these major companies? The main basic reason was as a trustee, as the local wananchi undergo the preparation to be able to acquire, in terms of equity, some kind of share. Mine is when we go to the sugar sector, before we even jump into the privatisation for the fun of it to please the foreign donor, are we coming up with a definite blue-print with regard to Sugar Act to spell out the Government's concern and to emphasise how the Minister intends to safeguard the interests of the small growers in the sugar industry? At least we can never save costing. This kind of saving means satisfying the needs of the people to an extent that they will not go out to look for an imported item whereas they can get it locally in which case, I think we must not put the cart before the horse. We must make sure that ahead of us, we have clearly worked out a scheme that would embrace a real cost-saving and at the same time improve the quality and welfare of the local wananchi.

Still in sugar, if we are talking of cost-saving, I want to tell the Ministry for Finance that we have a white elephant in terms of Miwani Sugar Company. This is really a very viable project. Who owns Miwani sugar factory? And did the owner ever pay the Exchequer and the Treasury? If he never paid, why should we feel shy to tell whoever owns a plant on which the lives of so many people depend? You can never do well for what you never paid for. Actually you will work very hard to justify your sweat if you ever paid for a property. All I think the committed patriots in this country would want to know and the Ministry of Finance should take it very dearly, is that Somaia and Sona Singh are now owning Miwani Sugar Company and are definitely suffocating Miwani Sugar Company in terms of economic well being of the sugar industry, which finally leads to the economic well being of our entire Republic. Do they have any justification to own it? Are they really serving the cause? If they do not, why? In my own view, and this needs to be investigated properly, is that Sona Singh has no penny in Miwani Sugar Company. Mr. Somaia has no penny in Miwani Sugar Company, hence lack of commitment to serve the people and get the dividends that would run this country. If we are talking of cost-saving, I think these

are areas that we should not look at lightly.

Coming finally to the fairly neglected area of power alcohol generated from the Agro-chemical and Food Company of Muhoroni, currently the major constraint of ACFC is lack of raw materials. Sometimes I am ridiculously taken to laughter when I see the fate of the Kisumu Molasses plant. The Muhoroni one would be taking hardly 25 per cent of the molasses produced and it can hardly get it adequately. Presently it is running on 10 per cent only manufacturing various yeasts. The ethanol side is totally closed. Why? Because instead of utilising the raw material in terms of molasses locally produced here, we are giving an opportunity to certain persons for export molasses which could be manufactured here to generate employment, improve the taxation and improve the revenue of our people. At least if we really want to do something to save, to increase the revenue, we have to be serious.

I have no reason to support the Budget if not for the sake of public relations and the lobby. Thank you Mr. Temporary Deputy Speaker, Sir.

**The Assistant Minister for Commerce and Industry** (Mr. Osogo): Thank you Mr. Temporary Deputy Speaker, Sir, for giving me an opportunity to join my colleagues in congratulating the Minister for Finance for the Budget that he presented to this House this year and if I may quote the first sentence of his last paragraph, he said that:-

"The Budget that I am presenting to this House is a sober and realistic basis of maintaining economic stability and encouraging development".

How true that sentence is. There are critics to the Budget Speech, but there must be critics always on the Budget Speech. Why? Because there has never been a Budget in any country that has pleased everybody. In the early days of Independence and you will bear me out from that Chair, beers and cigarettes used to be increased during every Budget and beer drinkers used to say "It is very unfair". They used to complain. Nowadays beer prices are not increased or rather they are not taxed. The same thing applies to cigarettes. These beer drinkers and cigarette smokers are not complaining at all but others who do not consume these two commodities are complaining.

Mr. Temporary Deputy Speaker, Sir, my quarrel comes on paraffin. I would rather have the Minister tax petrol because those who are driving big vehicles like Mercedes Benzes and Pajeros and so on, should pay for it and the lorries that are damaging roads should also pay for it but paraffin should have been spared because this is the lighting that the ordinary person uses in his or her own house. This is the only way he or she in the urban areas uses for cooking in kerosene stoves and so on. So I think the Minister should have spared the paraffin and placed that increase on paraffin on petrol so that those who are capable of driving are also capable of paying for petrol.

Mr. Temporary Deputy Speaker, Sir, I hope of course that the increase on the price of diesel does not over-burden passengers who travel in public service vehicles by over-taxing them on fares that they pay, and that the fares can correspond appropriately with increases on the petroleum. On Petroleum Levy, you will find we do not know where this money goes. We have been paying that money and it is supposed to go to the maintenance of roads as we are told. But if roads are maintained, I am sorry that in Busia this money does not come there.

This is because our roads are so bad and we wonder whether the money that is supposed to be collected from petrol levy actually is collected or not. There have been roads called coffee roads, tea roads, sugar roads, made in this country and they are called so because they are used to facilitate the transportation of these products to the market or easily into the factories.

Mr. Temporary Deputy Speaker, Sir, I am requesting, and the Minister for Finance should listen, that there should be money allocated to the fish roads also. We people who live around the Lake would like to have roads maintained from this petrol levy money so that fish can be transported from the landing beaches to the factories or to the markets. I live in those areas where fish is plenty and I spotted a vehicle carrying about five tonnes of fish which stuck on the road for four days and it was already loaded with fish due for processing in Nairobi for exportation to fetch foreign currency. All that fish went to waste. That is not the only vehicle; that is a daily occurrence during rainy seasons. I have requested the Minister for Public Works and Housing that those roads should at least, be graded. The minimum we are asking is gravelling them and nobody is doing that and yet we are told in this House that Petroleum Levy Fund is going to the maintenance of roads; not the roads in Busia and Bunyala. So, I am requesting that this should be considered seriously. I have seen, recently, roads being resurfaced and I have in mind the truck road from Kisumu to Busia. We are grateful for the resurfacing of that road. But when the road is still strong like that one, I would have appreciated if it was only patched up in sections and the tarmac that is used for resurfacing could tarmac the road from Bumala to Port Victoria which is the road I am talking about which carries fish from the lake to the processing points. We have been asking for that road for a long time and yet the Minister--- In fact, all the money that came recently was allocated to various districts but Busia got nothing. I wrote to the Minister to complain. The Minister for Finance knows it, I can see



he is nodding in front of me, but we should be considered. We should not be crying tears here for nothing.

Mr. Temporary Deputy Speaker, Sir, on the National Development Fund, it is startling that this Fund is being criticised. It is the brainchild of our President. In his good judgement, he thought that there could be a way of trying to assist the youth to move from the streets so that they can engage themselves in some economic development projects which can help them. It is an idea of our President, he has---

**The Temporary Deputy Speaker** (Mr. Shikuku): Order! There should be less consultation; I can hardly hear the speaker.

**The Assistant Minister for Commerce and Industry** (Mr. Osogo): Mr. Temporary Deputy Speaker, Sir, he has in his wisdom set a day to raise money from the public. He has in his wisdom requested his Government to allocate funds for this project which money we are allocating in this Budget. What we should do is to try and assist. We must ensure that the management of these funds is done properly, and that it is not taken to the DDC. I do not support the idea that this money should be managed by the DDCs. I would request, and the Minister should also listen, that committees be appointed in the districts, independent of the civil servants, made up of elected leaders, and even people like the churchmen to manage this fund. A committee that would be answerable to the national committee, which will be disbursing the funds. I say so because the national committee should be formed to formulate modalities of how this money is going to be distributed and used. If this is what the Members on the opposite side are requesting for, I agree with them, they should not oppose, they should support the idea that the Fund should be created. In fact, you cannot oppose what has not been created. Let the Fund be there and let us argue that we now want a national committee to formulate modalities of how the Fund is going to be managed right up to the district level.

I would like to give some advice to some of my colleagues that at this time we should be able to be forming or organising youths to form groups to manage some economically viable projects for themselves. They may not be having funds, but in anticipation for this Fund, I think this should be done. It will be sad indeed, if the funds will be available and there will be no projects to fund in some constituencies. Where people are wise, like in Central Province, those projects are already there, and funds will be pouring there. So, I request and I am suggesting to my brothers in the House, that we should try to assist the youth to form groups. For example, in my constituency I am forming groups to make ballast from stones because our hills are full of stones and also to make clay bricks. We are also forming fishing groups and pig keeping groups and groups to build boats and if they are assisted, these are projects that would continue serving these youths or giving them economic benefits for a long time so long as they can be started properly. These youths will have children who will be absorbed into industries or those projects, if they are going to be kept economically viable all the time and this is the Fund that is going to create that basis. I thank His Excellency the President for having thought that this fund should be created.

Mr. Temporary Deputy Speaker, Sir, for that wisdom, I thank the President and support the Budget.

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

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

**Bishop Njeru:** Thank you Mr. Temporary Deputy Speaker, for allowing me to contribute to this Budget which is before us. I will start by congratulating the President for the concern he has for the people of Kenya. I think if all people should congratulate the President, the Ministers in the Government would be at forefront in congratulating him because he has saved millions of people who would have died because of negligence on the part of the Ministers concerned. I also want to congratulate him because instead of firing the Minister concerned, of course he was supposed to resign--- Nairobi has been turned into an area where people could die any time, if it was not for the President's intervention. I have never seen a president more concerned with his people than President Moi. In the history of the world, there has not been even one president in Africa nor in the world who has gone to see how his people are suffering and being mistreated by the people who are running these Ministries.

I would also request the President to extend the same services to the people of Kirinyaga because we have been neglected by the people in authority because in Kerugoya town, there is no sewage. All the water sewage is going to a small stream there which is called Rutui. People in Mwea and Kutus are drinking the contaminated water. That is why you are hearing that in Mwea, people are dying of typhoid and diarrhoea. This is happening because the Minister for Health has neglected his own work. The Minister is doing nothing. This Minister should resign and I now call upon him to resign, because in Mwea we deserve services from his Ministry. We call upon the President to come and help us because even in Ngurubani now, people are dying every day. If you go to

Karira Hospital, people are dying and there is nobody to help them.

Mr. Temporary Deputy Speaker, Sir, according to the Minister, the Budget is a well thought one. In his speech, he did mention roads. Our roads in the Central Province, especially the road from Nairobi to Thika and all the way to Embu is impassable. There are lot of potholes. Even as I am talking, there are boys on these roads filling those potholes with soil. Instead of the Government seeing what is happening, they wait for the President to go along that road and see what is happening. It is a pity to have such a Government - a Government of the people by the people and for the people - that has no concern for its own people. There are so many Budgets that have been passed in this House and endorsed in the same House from 1988 to date. There have been proposals that the Kinyaga-Ngiriambu-Kiamutugu Road be tarmacked but up to now nothing has been done. I am hoping that when the Government comes to distribute this money, it will be fair so that even our people in Kirinyaga get a share. We would wish to have one of our roads either the Kirinyaga-Ngiriambu-Kiamutugu or Rukenya-Kimunya-Kabare tarmacked. We should not forget that when the President visited Kirinyaga he promised to have those roads tarmacked. The Mwea people are living in detention camps because of their high population and it is rising everyday. Grabbing of land by the Administration cannot be forgiven. Those people who are living in the villages are suffering because they are living in detention camps that measure 70 by 50 feet. It is not a surprise to find a family in Murubara village having a family of 32 members. There are no toilets or bathrooms and no space for building other houses in this place. So we are calling upon the Government to stop the grabbing of land. In Murinduko, a land measuring 80 acres bearing number GSS411 and 412, has been taken away by two people leaving the people in the village without any land. It was only recently that some people took away 200 acres from KARI and now they have gone to Murinduko. It is a pity to see the Government not doing anything when the poor mwananchi is suffering. I am saying so because I am getting concerned that if this Budget is going to be passed, it will be a majimbo Budget. I am saying so because in the Central Province, people grow tea, rice, coffee and yet none of the roads has been repaired for those past years. I am requesting the Minister concerned to come and try to at least repair one road in the Central Province and not forget that these are the people who fought for Uhuru. There is a certain hon. Member of this House who said that we should lie low like an envelope. We are not going to do that now. We have totally refused that. We are coming up because we have seen that Nairobi has been neglected because it is an Opposition zone and that is where most of the Kikuyus and Luos live. So we know that is that why it has been neglected but thank God, the President does not care whether you are a Luo, a Kikuyu or whatever tribe you come from. If the affairs of this nation were left to that one Minister who said that we should lie low like an envelope, today everybody in Nairobi would have died but we shall pray that God will forgive this man.

I want to speak about Ngariama Ranch. This land is 28,000 acres and 1,551 acres have been taken away by the people who are in the Government while 1,661 acres have been taken by the middleman leaving the poor man landless and jobless. I would suggest that the Government gets concerned about that land. This land belongs to Kirinyaga and instead of getting people from outside to be given this land, I suggest that it should be subdivided among the people who are living in Murinduko. It should be noted that these 28,000 acres were left by the people who were given 201 acres. Each person was given 15 acres leaving 65 acres as a ranching area but now it has turned out that this land will be divided among the rich people in the Government and the common mwananchi is left without anybody to come to his rescue. If this Government continues grabbing every land available, we cannot plan for the future of this nation. I would call this Budget a wishful one because many Budgets have been passed in this House and nothing has been implemented. If you look at the last Budget that we passed in this House, Kirinyaga did not benefit from it. I am requesting that we be considered in this Budget. Let there be fairness in the distribution of funds so that every district gets a share of this money.

Concerning the Youth Development Fund, the Government should tell us how the money collected will be distributed to the young people. We want to be told whether the Government is intending to buy land for the youth or distribute the money to individuals. I hope it will not be a repeat of the Mtongwe saga where money was collected and to date nobody benefited from it.

I support the Budget with a prayer that the Government will take action to ensure that every district benefits from the budgeted money.

**The Member for Westlands** (Mr. F.F.O. Gumo): Thank you very much, Mr. Temporary Deputy Speaker, Sir. I must start by thanking the people of Westlands for electing me to Parliament last week. I am very grateful to them. They made the right choice to elect me. I still believe that I was the best candidate among them all.

First, I congratulate the President for what he did yesterday because we are living in a falling city because wherever you go these days, the whole City is smelling. There is no water and even garbage is not collected but one surprising thing is that, it is managed by the Opposition. We hope the Mayor will do something. If we had

a KANU Mayor there, the Opposition would be talking everyday. They would be saying the place is terrible. When I was there it was a little bit better than today. The Government needs to do something in the City. If the Government does not come in and maybe finance, or manage it directly, in a very short time, there will be no services.

Today, the City Council has only three refuse collection vehicles and in 1990 they had eight vehicles. Today there are only three and the population of Nairobi has grown to almost 3 million. So, unless, the Government comes in, we are going to have problems in a very short time.

Mr. Temporary Deputy Speaker, Sir, this year's Budget was very good. I must say that it is a poor man's Budget. But there are areas that we need to observe, particularly on petroleum levy. Roads in Nairobi are in deplorable state. Nairobi residents contribute almost 40 per cent of the petroleum levy. I would ask the Treasury to allocate some of this money to the City Council, or maintain the roads in the City, on behalf of the City Council. Most of this money goes to the rural roads and not city roads. Therefore, it is very unfair to the residents of Nairobi. So, if Treasury could allocate them some money, some of the potholes would be covered.

With regard to water distribution in the City, it is not good enough. Most cities in the world today have privatised water departments. I am sure that the City Council might not want that idea because it owns the water.

But the Council can sell this water in bulk to private investors and let private people distribute it. Maybe, the management would be much better. It is happening in many cities of the world, and if they can borrow that leaf, things would change. Right now, meters are hardly read, and there is leakage almost everywhere. The wastage of water we get in this city is almost 30 to 40 per cent. If water distribution was done by private investors, chances are that maintenance will be better. They will make more money and almost everybody in this city will pay for this water. The City Council will also benefit because they will be selling this water in bulk to private investors. What I will suggest is that, maybe Nairobi should be subdivided into three or four municipalities and about three or four companies are appointed to operate private water distribution projects.

Another area that I would like to comment on, are the kiosks and hawking. If you refer to the social dimension policy, you will find that today in this City, the only shop that has remained with an African is a kiosk.

There are very, very few Africans with shops in this City. If there are any shops that are run by Africans, they are in the estates. We should encourage Africans to own these shops again, the way they used to do. They used to own shops particularly in areas like River Road, Tom Mboya Street, Racecourse Road and most other areas since rents there are a bit low and they can afford them. We must do something like this. If we do not protect the African businessman, then in a very short time, we might not have any African businessman in the City. Even the few who own shops around are being harassed by the City Council askaris everyday. We should protect them. They have no other way of living. This is the only way they can uplift their standards of living.

Another point which I would like to mention, and which is covered very well in the Budget is the Value Added Tax (VAT) on agricultural products. Today, a Kenyan farmer is suffering a lot. He cannot sell his produce. In 1993, the price of a bag of maize was Kshs1,200. Today, the price of a bag of maize is Kshs500, and yet, we are still protecting the importer. How are we going to protect the farmer, if the importer is not going to be taxed? Importers of agricultural produce like wheat, maize and other products, should be taxed twice or thrice, so that the farmer can be encouraged to produce maize and wheat. If we do not increase the tax to importers, then obviously next year, the price of maize might come down to Kshs400 and many farmers will be discouraged from planting maize. As a result, we might not have enough maize. That would mean some more rich businessmen around importing more maize into the country.

Mr. Temporary Deputy Speaker, Sir, hon. Kamuyu is not in, but I was surprised when he said that Kikuyus should be more united and that the GEMA should be revived. In Dagoretti, and hon. Kamuyu knows that very well, the majority of the voters there are Luhyas. During the election, he always prays at Ms. Mary Akatsa's place every Sunday, to make sure that he gets those votes.

**The Assistant Minister for Agriculture, Livestock Development and Marketing (Dr. Misoi):** Shame on him!

**The Member for Westlands (Mr. F.F.O. Gumo):** So, if we think we are going to rely on our tribal backgrounds, then we are getting nowhere. In a place like Nairobi, you cannot win any election using one tribe only. You need everybody. We should encourage people to work, live and vote together. Otherwise, people will be living in fear when a candidate voted by another tribe goes to Parliament. They will think that since their tribe did not make it, they will be thrown out of their houses or the city. So, we should encourage people to forget about tribal feelings and vote according to ones merit.

Mr. Temporary Deputy Speaker, Sir, the last point that I would like to make concerns rates in this town. We have had people in this town whose houses have been sold because of not paying rates on time. Some of them are very poor people. The City Council never gives them notices. They just realise, maybe, after one year, when

somebody comes and tells them to vacate the house because he has bought it. But that time, things will have gone. One tries to go to court, but it is too late. Some of them do not even have enough money. Things like these should be discouraged.

With those few remarks, thank you very much, Mr. Temporary Deputy Speaker, Sir.

**Mr. Boy:** Ahsante sana, Bw. Naibu Spika wa Muda, kwa kunipatia nafasi hii, ili niseme machache kuhusu Bajeti hii.

Kwa maoni yangu, Bajeti hii siyo mbaya, lakini imetengenezwa kuwafurahisha wafadhili wale ambao wanatoa pesa huko Washington. Haikutengenezwa kumfurahisha Mkenya wa kawaida.

**Mr. Shikuku:** Naam! Sema tena!

**Mr. Boy:** Bw. Naibu Spika wa Muda, Bajeti hii kwa macho ya wafadhili, ni Bajeti nzuri sana, kwa sababu mambo ambayo yanapendelewa na wafadhili hao yamesemwa vizuri na Waziri wa Fedha. Yafaa asifiwe, na atasifiwa sana na wafadhili. Lakini kwa sisi Wakenya wa kawaida, kuna pande nyingine ambazo hazitufai katika Bajeti hii. Pande hizi zinatumiza wazi wazi. Tumezidi kusema kwamba Bajeti ni nzuri na huku tunaumia. Ni afadhali ukweli usemwe.

Kwanza, sijui kwa nini Waziri aliongeza bei ya mafuta ya taa, na hali hata huko kwao watu wake wengi hutumia mafuta ya taa. Ningemuomba wakati wa kuyajibu majadiliano haya aipunguze bei ya mafuta ya taa kwa shilingi moja unusu. Ni lazima jambo hili lifanyike, la sivyo katika mwaka wa 1997 mambo yatakuwa mabaya kwetu. Jambo lingine ni kwamba makampuni mengi katika Mkoa wa Pwani ni ya clearing and forwarding. Sasa kutokana na Bajeti hii Waziri "ameyaua" makampuni madogo madogo na kubakisha makampuni ya matajiri peke yake. Kwa kawaida, makampuni ya clearing and forwarding huitaji leseni moja tu kutoka kwa Idara ya Kodi ya Forodhani. Lakini sasa Waziri anataka makampuni haya yawe na leseni mbili. Leseni hizi ni za nini? Makampuni haya ni ya wananchi wa kawaida wanaojitafutia riziki yao. Tunajua hakuna kazi na hata tunawafanyia watu Harambee ili waanzishe miradi ya kujitafutia riziki. Haifai kwa Waziri kuwazibia njia watu wanaofanya kazi zao. Hii haifai kwa sababu watu wote hawawezi kuwa Waziri wa Fedha. Kwa hivyo, wakati wa kuyajibu majadiliano haya ni lazima ayabadilishe mambo fulani.

Bw. Naibu spika wa Muda, pia Waziri ameiongeza bei ya petroli. Singeipinga nyongeza hii kama barabara zingekuwa nzuri. Sijui ni pesa ngapi ambazo zimekusanywa tangu Road Maintenance Levy ilipoanzishwa. Hii ni kwa sababu barabara bado ziko katika hali yake ya kabla ya fuko hili kuanzishwa. Kazi ya Waziri ni kuja na kuisoma Bajeti yake hapa na kwenda, na hata kama tunapiga kelele barabara bado ni mbaya. Hata wewe, Bw. Naibu Spika wa Muda, unajua kwamba barabara za nyumbani kwako ni mbaya. Pia barabara za Wilaya ya Kwale bado ni mbaya tangu mwaka ule, ingawa Bajeti inasomwa hapa kila mwaka. Ingawa tumekuwa tukiisifu Bajeti ya kila mwaka hakuna lolote zuri ambalo limefanyika. Kila mwaka maafisa wa Wazira ya Fedha huja hapa na kuandika rekodi ya maoni yetu lakini hakuna chochote kizuri ambacho kimefanyika kutokana na rekodi yao. Hatuambiwi lolote ambalo limefanyika kutokana na maoni yetu juu ya Bajeti ya mwaka jana. Kazi yetu Wabunge imekuwa kuwapitishia Mawaziri mambo wanayoyataka.

Ni lazima sasa Waziri aje na kutueleza mambo mapya ambayo yamefanyika. Najua hakuna chochote ambacho kimefanyika. Wakati mwingine naona haya ninapoichunguza hali yetu ya maendeleo. Sijui nitaenda kuwaambia nini Wadigo wa Kwale! Hakuna chochote kilichofanyika kuhusiana na huduma za maji, barabara na afya, na hali Waziri na afisa wake waliye katika Bunge hili watanitarajia kuipitisha Bajeti hii.

Waziri angenipatia kitu kidogo kusudi niwe na sauti kali katika kuipitisha Bajeti hii. Katika [Mr. Boy] wilaya nzima ya Kwale hatujapewa chochote. Sijui Bajeti hii ilibuniwa kwa njia gani. Kwa bahati mbaya Waziri Msaidizi wa Fedha anatoka Pwani, na hali ya barabara zake ni sawa na ya zile za kwangu. Yeye hukaa hapa na kuandika rekodi ya maoni yetu, na hata sasa anaandika rekodi ya maoni haya, lakini sijui yeye huipeleka wapi rekodi hii! Ana mashine ya kuichana rekodi hii katika ofisi yake? Hii ni kwa sababu hakuna lolote linalofanyika. Mtu akikusikiliza na useme mambo kumi inafaa jambo moja lifanyike. Tulipouzungumzia Mswada wa kuanzisha Road Maintenance Levy Waziri alituambia: This levy will give us Kshs3 billion per year and all our roads will be passable. Ingawa tuliupitisha Mswada huo mwaka mmoja na nusu baadaye barabara zetu ziko katika hali ile ile. Tena, tuliletewa Mswada mwingine hapa kuhusiana na petroli na tukaupitisha. Ingawa sina budi ya kuipitisha Bajeti hii inafaa mambo mengine yachunguzwe. Maofisa wanaoitengeneza Bajeti ili tuje kuipitisha hapa huwa wanafikiria nini kuhusu mahitaji ya sehemu zetu?

Bw. Naibu Spika wa Muda, pia kuna supplementary estimates, ambazo zitaletwa hapa. Ikiwa umelalamika sana kama mimi supplementary estimates zitaonyesha zahanati moja yako imepewa pesa, lakini baada ya kuzipitisha supplementary estimates hizo hakuna chochote kitakachofanyika. Wananchi watazidi kungojea utekelezaji lakini hakuna chochote kitachofanyika. Jambo hili litafanyika kwa upande wa KANU na wa Upinzani. Kitu kinachonishangaza ni kwamba hata Wabunge wa Upinzani huipitisha Bajeti hapa!

Lakini ningependa kumsifu Waziri kuhusiana na National Youth Development Fund. Inafaa ukweli

usemwe.

**Mr. Shikuku:** Jambo la nidhamu, Bw. Naibu Spika wa Muda. Ni haki kwa mhe. Boy kusema kwamba sisi hupitisha Bajeti na hali wakati wowote tunaposimama hapa huwa tunaipinga? Hata jana niliipinga Bajeti hii na kusema kwamba hii ndio Bajeti mbaya zaidi. Ana haki ya kulipotosha Bunge hili?

**Mr. Boy:** Bw. Naibu Spika wa Muda, wengi ndio wanaofuatwa. Mhe. Shikuku hakutoka nje wakati wa kupitishwa kwa Bajeti za miaka iliyopita. Kwa hivyo, alikuwa mmoja wa waliozipitisha.

Ningependa kuusifu mpango wa NYDP. Ingawa Wabunge wa Upanzani wanaushambulia mpango huu kila wakati, hawapendekezi mpango mwingine. Wao hawajui kwamba vijana wanahitimu kutoka shuleni kila siku? Vijana hawa watafanya kazi wapi? Wabunge wa Upanzani wanataka watoto wetu wawe wezi? Mbona hawatupi mpango mwingine? Inafaa wauunge mkono mpango huu. Wenzetu wanajua kuwatumia vijana kupigana kwa mawe wakati wa kampeini. Hata baadhi ya vijana hupigwa picha wakiwa wameshika mapanga wakati wa kampeini. Kiongozi mmoja anapowapa vijana wake bangi na mwingine awape vijana wake chang'aa vita havina budi kutokea. Lakini unapofika wakati wa kuwafanyia vijana Harambee, Wabunge wa Upinzani wanaanza kutupinga. Haifai viongozi kuwakumbuka vijana wao wakati wa kampeini tu. Ikiwa sisi ni viongozi wazalendo, ni lazima tuwasaidie vijana wetu. Hii ni kwa sababu wao ndio wengi katika wapiga kura.

Pia tunajua hakuna kazi. Benki ya Dunia imezukuma Serikali ili kuuweka uchumi huru kafikia kiasi ambapo waalimu na wafanyakazi wengine wanafutwa kazi. Wabunge wa Upinzani wanasema kwamba mpango huu ni wa KANU lakini hatuoni mpango wa FORD(K) au FORD(A) kuhusina na vijana. Mimi ninauunga mkono kikamilifu mpango huu kwa sababu ni njia nzuri ya kuwasaidia vijana. Wabunge wanajua kwamba ifikapo mwisho wa mwezi, kila mmoja wao atapata mshahara wa Kshs74,000. Sasa vijana watapata mshahara kutoka wapi?

Kwa hayo machache, naunga mkono sana.

**The Assistant Minister for Agriculture, Livestock Development and Marketing (Dr. Misoi):** Mr. Temporary Deputy Speaker, Sir, thank you very much, for giving me this opportunity to make a few observations on this Budget. The Budget presented by the Minister for Finance is an excellent Budget. The only problem is whether the targets set would be achievable and that depends on how the Budget will be implemented. It is a serious Budget, particularly, if it leads to the strengthening of the economic growth of the nation and also in instilling discipline in our public affairs. We have to be serious in putting into practice a Budget of this kind otherwise it will not enhance the development objectives envisaged.

Mr. Temporary Deputy Speaker, Sir, the Budget outlines the aims which are many, but I will only mention a few. That, it will enhance industrial production, it will alleviate economic hardships of the people, it seeks to reduce the deficit in public spending and also lower the inflation. It also says that it will reduce unemployment, in other words, it will increase employment and that is very important particularly for the youth. It also says that it will alleviate poverty which many millions of Kenyans have been subjected to because of the economic difficulties of the past. The Budget gives hope for a better future; for a better tomorrow. But, as it has been alluded to by others, we have in the past approved Budgets which in the end have fallen short of the expectations. I hope this is a realistic Budget and that it has not been done for the sake of it.

Mr. Temporary Deputy Speaker, Sir, of importance is the off-loading of the tax burden from over 140,000 workers. This group will benefit. The other group which will benefit from the Budget directly are the youth who will get Kshs200 million. Kshs200 million is not a lot of money for millions of youth in this country, but it is a good beginning to keep our youths active and engage in productive activities. There have been questions as to how it will be implemented and what system we are going to use. It has been suggested that the DDCs will do it, but the question is whether the DDCs will be capable of assessing projects which are viable, profitable and amenable to employing youth. Or will this money from the Government and the money which has been raised by the youth be put into an institution which exists or create an institution for youth and women groups which can be financial institutions or banks for long term development of this sector of our population? If this institution is thought to be feasible, then all the youth groups in this country would be shareholders and the Government will finance it and would be able to also source some funds from NGOs. This would be a permanent source for development funds for the youth of this country. The youth who we term as future leaders of the nation. That would be a nursery for their development; for their evolution to be leaders. Otherwise, if we do not take it seriously, it will be like the 1991 or 1992 Rural Enterprise Fund, which to date we do not know how many projects survive, how many projects are viable and how much money is being recovered from the loanees. This is a challenge and we hope that as soon as the project is implemented, we will have a workable system which will truly alleviate the problems our youths and women are facing.

Mr. Temporary Deputy Speaker, Sir, I have a quarrel with the raising of taxation on paraffin which is used by the less fortunate group of the population. It is unfair that this group has been touched, knowing very

well that we do not have other fuel resources except the diminishing forests.

Mr. Temporary Deputy Speaker, Sir, the other aspect which I find very difficult to understand is the taxation of the interest on savings. Because, once this is done, you simply chase away people who save money to perhaps put their money into dubious operations. Therefore, we will not be able to get anything from that taxation. The other area which is worrying Kenyans is the fact that interest on loans and overdrafts from banks are very high and the average mwananchi cannot afford to get a loan for any development. This is an area which should be addressed.

I also would like to commend the Minister for removing or reducing the tax on sporting equipment. I am saying so, because sportsmen have been the best ambassadors for this nation and to enhance their operations and participation in sporting activities, the tax should have been zeroed, but not simply reduced.

Mr. Temporary Deputy Speaker, Sir, the other money provided for the social amenities and infrastructure has been increased, but we would like to see results; that roads are rehabilitated, roads are constructed and tarmacked, hospitals are increased, drugs are available and so on. I would like to say that the financing of the projects should go down from the districts to constituencies because constituencies are constitutional instruments and that is why we are passing Budgets in this House because we represent constituencies. So, all the development should emanate from the constituency; grassroots. So that when we go back there, we are able to say, yes, the Government did this and that.

Mr. Temporary Deputy Speaker, Sir, I want to comment on the Economic Survey of 1996 which gave a very rosy picture on performance. Many have disputed the figures. But by disputing, they have not given any alternative. The Opposition has rejected it, others have criticized it but at the end of the day, they have not given any serious facts and figures to prove that these indicators are not valid.

We need unity, discipline, commitment to work and fight against all those other anti-social vices like corruption which has been mentioned many times. I am not sure whether we are really the third most corrupt nation in the world. Maybe those are concoctions, but the truth is that the Kenya society is more corrupt now than before. It is also unfortunate that when the Opposition leaders speak, they think that corruption is in KANU, it is not in KANU, it is within the Kenyan society and we have to fight it throughout. It is not confined only to a particular tribe. It percolates through all the people of Kenya and, therefore, it is misleading for some leaders to confine it to any section of the society or to any particular party. I was amused when I listened to hon. Kamuyu when he was impressing upon his community or his tribe to revive GEMA. A long time ago, these tribal associations were banned and I laud it. I did not even support--

**Mr. Kamuyu:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for the Assistant Minister to misquote me? I did not say anything about what he is talking about. I said that communities should be united more and more so that they move towards a united Kenya. However, I said there is nothing wrong with GEMA.

**The Assistant Minister for Agriculture, Livestock Development and Marketing (Dr. Misoi):** Mr. Temporary Deputy Speaker, Sir, I would not support such an undertaking. What we need is to enhance unity among the people of Kenya as individuals with equal rights, duties and responsibilities.

For the information of hon. Kamuyu, he was involved in GEMA-KAMATUSA talks in which I never participated because I believe that we need one Kenya and not alliances of tribesmen.

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

**The Temporary Deputy Speaker (Mr. Wetangula):** Order! We are discussing the Budget Speech not GEMA-KAMATUSA talks, and I do not want to hear anything about that. Proceed, Dr. Misoi.

**The Assistant Minister for Agriculture, Livestock Development and Marketing (Dr. Misoi):** Mr. Temporary Deputy Speaker, Sir, what I wanted to impress upon leaders including the hon. Members of Parliament, the clergy and media---

**Dr. Lwali-Oyondi:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for hon. Kamuyu to say that he should be allowed to slap hon. Misoi?

**The Temporary Deputy Speaker (Mr. Wetangula):** Indeed, the only person who could allow him to slap him is the Chair, and the Chair will not allow him to do so!

*(Laughter)*

**The Assistant Minister for Agriculture, Livestock Development and Marketing (Dr. Miso):** Mr. Temporary Deputy Speaker, Sir, to round it up, I will call upon all Kenyans to observe the virtues of good governance, accountability, transparency and commitment to hard work. If it is done at all levels this country

will achieve a lot. Thank you, I beg to support.

**Mr. Mak'Onyango:** Thank you, Mr. Temporary Deputy Speaker, Sir, for according me this chance to contribute to the Budget Speech.

At the outset, I would like to say that among the areas that are addressed by the Budget is that area that has to do with the reform of the local authorities. Although the Minister in his Budget has said that the Government is serious about the reform of the local authorities, there is nothing by way of tangible action set out in the Budget to show that anything is going to be done to bring about the necessary reforms within our local authorities. I think these are empty pronouncements and it is time some serious thought was given to the restructuring of the local authorities, empowering them so that they can be true instruments of democratisation and general reforms in this country.

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

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

One would have liked to see in place an arrangement under which the local authorities would be enabled to enhance their funds or their sources of funds were improved so that they can undertake a lot more of their established functions to the society than it is currently.

There is also need for the local authority to have the power of hiring and firing. Those powers have since been taken away and I think that is one of the problems local authorities are faced with. So, we would like to see those powers restored so that Local Authorities can hire and fire. These powers should be removed from the Minister who now exercises them and, of course, in a way that is not beneficial to the country. So, I have a lot of misgivings about the so-called Local Authority Reform as contained in the Budget.

There is also the question of poverty alleviation. There is nothing contained in the Budget which has been laid down before this House that can lead to meaningful alleviation of poverty in this country. I would have agreed to it if there were such arrangements, for example, as the lowering of interest rates on loans, because if the bank interest rates were lowered, more investors would be able to come forward and borrow, and by so doing, be able to put up what we call business concerns and industries that would be able to employ many of the unemployed Kenyans today. By so doing, we will be able to have an income and contribute meaningfully to the economy of this country. As of now, the Minister talked about poverty alleviation when the bank interest rates remained as high as 30 per cent plus.

This is one of the main constraints that is restraining development in this country. If we want to see economic growth, I think the beginning point will have to be the lowering of interest rates so that more people can go in for investment money in this country, and in the process help improve the general economy of the country.

That goes, of course, also with taxation of the saving. What the Minister has done to me amounts to economic sabotage because this country relies heavily on the savings from those who can afford. On the contrary, instead of taxing saving, I would have liked to see a situation in which those who are capable of saving are, indeed, encouraged by some kind of inducement. I would like to see something that would induce more people to save rather than to scare them away as it has been done in this particular case.

Mr. Temporary Deputy Speaker, Sir, may I also look at the National Youth Development Fund. I am a bit surprised that my friends on the other side would like us to believe that this is going to be a panacea to the problems of our youth. Far from it, as one hon. Member had occasion to point out, we cannot sustain the economy on the basis of hand-outs. So, this to me amounts to hand-outs. It is programmes such as this that hurt the common man.

We have a situation here now where people are going to queue at State House contributing to the so-called the National Youth Development Fund. Who are contributing there? There are various State Corporations, parastatals and various companies which produce some of the goods and services in this country. Once they have gone and contributed their millions there, they turn-round and increase prices to recover whatever they have contributed towards this Fund. In this way, it is the common man that ends up suffering because the prices end up going up. This is why we on this side say, "Look here, we are not opposed to the National Youth Development Fund per se, but can we have the right approach to the Fund so that at the end of the day, every Kenyan will have been given a chance to ventilate and contribute towards the best way in which kind of programme can be undertaken." We have said we want a blue-print brought before the House so that the hon. Members can discuss it and agree on such approaches as could make this Fund's work more meaningful for the

good of this country, so that the Fund does not become the source of frustrations for the common man.

I think the arrangements of this Fund, as brought in this Budget, the Minister is blackmailing the House. Apparently, he has brought this matter simply because the Opposition had kind of said that this was a form of illegal taxation, and he thinks that by bringing it here in this form, Parliament in the process will legalise this thing. I think this is wrong and I would still want to appeal to the Minister to go back on the drawing-board and come up with a blue-print for this House to ventilate and agree on what form this Fund should take.

Mr. Temporary Deputy Speaker, Sir, I would like to make a brief mention of the National Social Security Fund (NSSF). The Minister for Finance has said that he is in the process of re-organising the Fund and so on. I think that priority number one, when it comes to re-organising the Fund, should be the establishment of the workers' bank, through this particular source. The NSSF has enough funds, and I am sure that we can use part of that Fund to establish a bank, through which the Jua Kali sector and other enterprising Kenyans, who are business minded can benefit. In that way the Fund will have been turned into an instrument for development that will benefit the workers that are the owners of this particular facility. In that way, the worker, who produces this particular money and who also owns this facility, will be able to benefit from it, rather than the present situation, in which he is a mere passive observer and not an active participant in what can be achieved through this particular Fund. So, I really would like to see a situation where any re-organisation of the NSSF should include the creation of a workers' bank out of this particular Fund.

In the Budget Speech, the Minister spoke of his plans to publish the budgetary proposals quarterly. I would urge him to introduce what used to be done previously. Let us have the budgetary allocations at the district level published to enable even the Members of Parliament and councillors at that level, to be able to see for themselves the amount of money allocated to their areas at any specific period of time. This will enable them to monitor how the money is spent in their own areas. So, I would like to see a situation in which the Minister will be able to publish budgetary allocations at the district level, at least, on a quarterly basis for the leaders at that level to be able to monitor the expenditure. As of now, you will be told that so much has been allocated to your district, but you do not have records showing exactly how much has been spent.

With those few remark, Mr. Temporary Deputy Speaker, Sir, I beg to oppose.

**The Minister for Environment and Natural Resources** Mr. Sambu): Bw. Naibu Spika wa Muda, ninakushukuru kwa kunipatia nafasi hii ili niweze kuunga mkono Bajeti hii ambayo iliwasilishwa na Waziri wa Fedha. Kwa jumla, Bajeti hii inajali masilahi ya wote. Hii inatokana na uchumi ambao umezidi kuimarika.

**An hon. Member:** Kwako!

**The Minister for Environment and Natural Resources** (Mr. Sambu): Uchumi umeimarika kutokana na usimamizi bora wa kisiasa. Wataalamu wenyewe wanatambia kwamba - na hawa wataalamu sio wanachama wa KANU, kwa kuwa wataalamu ni wataalamu - uchumi wetu umeimarika kwa kiwango cha asilimia 5, yaani 4.9 per cent growth rate mwaka jana. Uchumi huu umeongezeka kwa kiwango cha juu sana kuliko kile cha idadi ya watu hapa nchini. In other words, the population growth has been surpassed by the economic growth. Na hii inaonyesha kwamba watu wetu wananufaika kiuchumi.

Vile nilivyosema hapo mbeleni, hii Bajeti imeangalia masilahi ya watu wote. Kwanza, kodi ya mapato ya wale ambao mishahara yao ni chini ya Kshs6,000 kwa mwezi imeondolewa. Hii inaonyesha ya kwamba wote ambao wana mishahara chini ya Kshs6,000, sasa hawatilipa kodi. Wale watu ambao wanahusika hapa ni wengi katika taifa letu. Juhudi ambayo Serikali imefanya kutekeleza kwa kuweka huru uchumi wetu, imewapa motisha wale wenye rasilimali kuja kuweka rasilimali yao katika Kenya. Kwa mfano, wataleta viwanda, kuingiza katika kilimo, maua, mboga, na kadhalika.

Bajeti hii pia inaangalia masilahi ya vijana.

Bw. Naibu Spika wa Muda, hii ni kwa ajili ya elimu kwa vijana kwa sababu elimu ya ngumbaru inachukua sehemu ndogo sana. Sioni ni kwa nini tunalalamika wakati vijana wanaposaidiwa. Tumetengea elimu ya vijana K£1.7 bilioni. Hii yaonyesha kwamba taifa hili linachukua kwa makini sana maslahi ya vijana. Kwa hivyo, wakimaliza masomo yao, tunawatafutia kazi iwapokuwa wote hawataweza kuajiriwa. Hii ni kwa sababu Serikali hii imeanzisha National Youth Development Programme ya kuwasaidie wale ambao hawana kazi. Wakipata pesa hizi, watajisaaidia kwa kuanzisha biashara ndogo ndogo kama vioski na vitu vingine.

Katika upande wa afya, twaona kwamba ruzuku ambazo zimetolewa kwa Wizara ya Afya mwaka huu, zimefika K£669 milioni. Hiki ni kiwango kikubwa. Katika mataifa mengine, ni vigumu sana kwa Serikali kutia pesa kiwango hicho kwa upande wa afya. Kile tunachotaka kuona ni kwamba watu wanahudumiwa. Tuanataka wale maofisa wanaohusika na utoaji dawa wahakikishe kwamba zimefikia watu wetu.

Kuna pesa nyingi ambazo zimetengwa kwa ajili ya kutengeneza barabara. Ningeomba wale wanaohusika waone kwamba pesa hizi ambazo zimetengwa kutengeneza barabara na Wizara ya Ujenzi na Nyumba, zimetumiwa kwa kuajiri vijana kulima barabara kwa kutumia mikono. Katika nchi kama Kenya



ambayo iko katika take-off stage, inaibidi Serikali ipeleke rasilmali kwa wananchi. Baada ya kodi kutolewa kutoka kwa akiba ya watu, ni lazima rasilmali zifikie watu. Hatuwezi kuwapatia pesa tu hivi. Ni lazima wafanye kazi. Ningependa kazi kama ya kulima barabara kwa kutumia mikono ipewe watu wetu ili wajipatie riziki.

Mafuta ya taa yamewekewa kodi. Hii ni bahati mbaya kwa watu wetu. Lakini hii shida imetokana na watu wetu ambao hawaaminiki. Katika nchi jirani, mafuta ya taa huwa hayatozwi kodi. Watu wamekuwa wakinunua mafuta taa hapa Kenya kwa wingi na kuyapeleka katika nchi jirani ili wafaidike baada ya kudanganya nchi yetu. Hii ni jambo baya. Hawa watu wachache wamewafanya watu wetu waumie. Ningependa kampuni ya pipeline iaangalie jambo hilo. Kila mara, mimi huona malori yakijaza mafuta ya taa katika tanki yao lakini inaonekana kwamba hayaendi katika nchi zilizo jirani zetu lakini yanazunguka na kurudisha mafuta hapa bila kutolewa kodi. Kwa hivyo, ningependa Manispaa ya Eldoret kuangalia jinsi malori haya yanaendeshwa. Unaweza kupata kwamba malori hayo huwekwa katika mitaa yakijaa mafuta. Hii inakuwa hatari kwa wakaazi wa ule mji kwa sababu moto ukitokea yale mafuta yatahatarisha maisha ya watu wengi.

Bw. Naibu Spika wa Muda, jambo ambalo lingefanywa kuhusu mafuta ya taa, pengine Serikali ingetafuta njia ya kuwauzia watumizi moja kwa moja pasipo kupitia kwa wafanyabiashara wakubwa wenye malori makubwa ambao wanaweza kuyapitisha kwa mipaka na kutafuta udanganyifu wa kujipatia manufaa kwa kodi zetu. Pia ningependa kuongea kwa kifupi kuhusu wakulima ambao wanakuza mahindi kwa sababu ninawakilisha wale ambao wanalisha nchi. Wao wanatulisha kwa njia ambayo inaonekana kama hasara kwao. Ninaelewa kuwa tumeweka uchumi wetu huru na hatuwezi kusema kwamba bei ya mbolea ni ghali kwa sababu ni kupenda kwa mnunuzi na muuzaji. Sisi tunakuza mahindi na wengine wameanza kuleta mahindi kutoka nje na wanatatoshwa asilimia 15 kulingana na Bajeti hii. Lakini wale ambao wangependa kutoa mahindi ili wayauze nje, hawaruhusiwi. Kwa hivyo, ningependa kuuliza kuwa ikiwezekana njia itengezwe ili wale ambao wana uwezo wa kukuza mahindi ya kutosha ama wafanya biashara wakiwa na uwezo waruhusiwe kuuza mahindi yao katika nchi za nje. Hii ni kama mkulima wa mahindi amefungiwa ndani ya nyumba na kazi yake ni kuzalisha mahindi tu. Mwingine anaweze kuleta mahindi kutoka nje, lakini yeye haruhusiwi kutoa mahindi yake nje. Pengine wakiruhusiwa wapate njia ambayo itawasaidia kuuza mahindi yao na hii ndiyo itakuwa soko uhuru kamili. Kwa sasa inaonekana kwamba sio soko uhuru kwa sababu wanaweza kuzalisha na kuuza hapa ndani, lakini hawawezi kuuza mahindi katika nchi za nje.

Bw. Naibu Spika wa Muda, nikihusia juu ya uchumi kwa jumla, inflation yetu karibu miaka miwili sasa, imebaki chini ya asilimia 10. Hii ni juhudi kubwa ambayo Serikali hii imefanya kwa sababu utasikia katika nchi zingine kwamba inflation is in the rates of two or tripple digits. Wengine sasa ni lazima tukubali kwamba Serikali hii imejaribu kwa sababu bei ya vyakula na ya mahitaji ya kila siku, imebaki karibu pale pale kwa miaka miwili, mitatu. Hii ni juhudi ya Serikali hii na ni kwa sababu ya mipango nzuri ambayo Serikali yetu imefanya.

Bw. Naibu Spika wa Muda, kwa hayo machache, ninaunga mkono.

**Mr. Wetangula:** Thank you, Mr. Temporary Deputy Speaker, Sir, for allowing me to contribute to the Budget Speech. I have very few points to touch on. The first is the need to encourage domestic investment. We have a lot of people in this country, both African and non-African who are endowed with a lot of wealth. It is high time that the Minister for Finance provided the necessary environment for them to invest their money locally, and not just in Nairobi and the big cities, but to go up the countryside, to smaller towns and make their investments. To have these investments which will in turn generate wealth locally, we need the necessary infrastructure. We need incentives to these local investors. It is my humble suggestion that the necessary arms of the Government should give incentives to the local investors by, for example, giving them either subsidized or free power installation or to get the local authorities to allocate them the necessary land and infrastructure where they need to invest, and to give them road access. Also connect them to water and give them the necessary faster reliefs so that we can generate wealth locally.

It is dangerous for any country to rely on donor countries. The donors are now also tired of giving donations and grants to various countries. The recipients of donor funds have increased since the collapse of the Eastern Empire under the tutelage of the Soviet Union. Instead of the Soviet Union giving out donations to poor countries, it is now receiving them and it is high time we realised that it is dangerous to rely on donor funds. And this country has enough wealth, both human resources and physical resources, to generate and turn them into wealth locally so that we can get donor aid when it is really necessary and not as a means of our survival.

Mr. Temporary Deputy Speaker, Sir, the Budget talks of Local Government Reform. We all know the importance of local Government; the grassroot Government, where the authorities deal with the bulk of Kenyans. But the problem we have is that local authorities do not simply function. Everywhere you go the local authorities have collapsed. It is time the central Government provided local authorities especially with finance managers, that we take away the management of local authority finances from the hands of the Mayor and the Clerk who in

most cases are in a permanent and continuing conspiracy to defraud the public. Their duty and daily occupation is handling lots of plots and allocating them to friends and siphoning away authority properties and so on.

Mr. Temporary Deputy Speaker, Sir, if you go out to other countries, you will find that local authorities even go into joint ventures with investors by developing residential properties and selling them, developing commercial properties and sell them or lease them out and develop the necessary infrastructure to give people a better environment to live in. But what do we have in Kenya? It is a morass of decay. Everywhere there is no sewerage system, no road network, no water, no street lights and no nothing. In fact the upcoming small towns and local authorities like municipalities have become a security risk because they attract large populations of people to move in with a hope that they are going to get the necessary infrastructure. In the end there is nothing and consequently people turn to crime and all sorts of vices. And here we are talking of statistics from the United Nations (UN) that say that in another 10 to 15 years, 50 per cent of the world population is going to be urban. Kenya is not going to be an exception to this and unless we set in motion proper and systematic plans on how to manage our urban centres, we are going to have a major problem. We have been told that there is World Bank funding to support road network and infrastructure in urban centres. I would urge the Minister for Local Government to liaise with his colleagues in the Treasury to ensure that when this money is sent out to the local authorities, it is not stolen like is the case always.

Mr. Temporary Deputy Speaker, Sir, if you go to any municipality and all that you will find is that there is a veneer of tarmac here and there is a veneer of development and the money has just been siphoned away. People are being fed on raw water in all urban centres, yet they pay for this water, they are paying tax and they are also getting subsidies from the Central Government. Something must surely be done to save the agony of urban dwellers from the mismanagement of local authorities.

Mr. Temporary Deputy Speaker, Sir, I am saying this because, for instance, in Bungom Town, so many times there has been money allocated from the Ministry of Local Government to develop the sewerage system and nothing has been done. Everywhere you go in the town, there is raw sewerage flowing all over and yet money has been sent to the municipality and that money has been "eaten" and the most ridiculous thing is that recently the Town Clerk of Bungoma was transferred to somewhere in Meru and he flatly refused to go and he is there. He just will not move. He would be there just to ensure that this man who has run down the service system in the municipality having been transferred. In fact, instead of being dismissed, he has flatly refused to move and nobody is doing anything about it. Here is a man who ought to be in jail for disobeying the orders of the Ministry, and the Ministry is looking so impotent in his face that we wonder what is the role of the Ministry of Local Government. I am sure this is happening elsewhere, it is not just this particular one. It is high time that something was done because if we do not get local authorities working, we are not going to get anything else working because they are the ones that are dealing with the population of this country on a day-to-day basis.

Mr. Temporary Deputy Speaker, Sir, I praise the Minister for appointing statutory managers to move into Kenya National Assurance (KNA). But I also ask one question; KNA was at one time the premier insurance company in this country, it was the best, it was the most prestigious, you can even see this from the properties it owns in this City, Corner House, Salama House, Bima House, Protection House, Bima Tower Mombasa, Kenya National House Kisumu, name it. Where did we go wrong with Kenya National Assurance? This is the big question. We are sending in managers and that is perfect. I hope they will revive the company but I urge the Ministry and the Government to go back to KNA and examine the books, and whoever is guilty of any wrong doing, in terms of financial swindling, must be brought to face the law. Unless we do this, unless we set a deterrent, this callous misuse of public funds is going to go on. It is high time we made it very difficult for anybody to practise corruption. Unless we do that, people will continue fiddling with public funds with impunity. Whoever crippled KNA, if sent elsewhere, will cripple another organisation as well. I do not think that Kenyans do not know who did it. I urge the Minister to do what they have done elsewhere; they moved to the Ports, they moved to Customs, they moved to the Department of Registrar of Motor Vehicles, and going to KNA, should be simply not to go and manage the place but to clean it. I further suggest that anybody who is established in law, to have taken money from any public corporation, should be made to pay for it. We have the equitable remedy of tracing, we should trace their assets and sell them and recover public funds. I am thinking of Nzoia Sugar Company, where people have callously stolen money; they are known, the amount stolen is known and nothing is being done. I urge that action be taken against these swindlers.

Lastly, I urge the Minister to exercise heavy taxation on luxury consumer goods. Instead of increasing the price of fuel, I would urge taxation on cigarettes, beer and other luxuries to be increased.

With these few remarks, Mr. Temporary Deputy Speaker, Sir, I beg to support. Thank you.

**Mr. Mwaure:** Thank you very much Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to the Finance Minister's Budget Speech. Let me start by quoting the Minister. There is a

paragraph where he says, " Furthermore I am determined to ensure that all Central Government expenditure, whether for Recurrent or Development is strictly limited to the provision approved by the House". Mr. Temporary Deputy Speaker, Sir, in this country, year-in-year-out, the Budget is brought here by the Minister for Finance. The Kenyan taxpayers are taxed for the development of this country. The Kenyan taxpayers are taxed for the Recurrent expenditure and yet we know that some of the expenditure has been incurred without this House's approval. I am telling the Minister that his Statement should not be just a public relations exercise. From now onwards, we do not want to see Government expenditure incurred in this country without this House's approval. Let Parliament discuss all the expenditures that this Government incurs and in this way, we shall remove a lot of corruption that has made money voted in this House to be used wrongly and as a result of this, a lot of development programmes have been suspended.

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

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

Mr. Temporary Deputy Speaker, Sir, the other area that I would like to talk about is that of poverty alleviation. As of now, after 33 years of our Independence, majority of Kenyans who live in the rural areas continue to experience a lot of poverty. It is time that this Government came up with projects that would go towards alleviating problems in the rural areas and this can only be done by Government involvement in the agricultural sector. This is where again the Minister is right in talking about improvement of rural access roads. Again, here is an area which, year-in-year-out, the Budget has talked about but we see very little being done on these roads. Today, the people involved in horticultural farming are earning this country a lot of money and yet we find that during the wet season, some of our rural areas are not easy to reach because of the poor roads. I would urge the Government to ensure that in these areas something is done about the roads.

The Minister has talked about the improvement of the coffee sector which earns the country a lot of money. Without good infrastructure these farmers are discouraged.

We have not been told clearly how the money that is going to be raised for the so-called National Youth Development Programme is going to be disbursed to the youth in the rural areas. What is the number of the youth that is going to benefit from this money? The Minister has said that his Budget covers about Kshs10 million meant for this programme. We would request that we get to know how the youth is going to benefit from this project. Jua Kali is one area which can help the youth of this country. I want to see most of this money channelled to the Jua Kali sector so that our youth can benefit. Earlier, an hon. Member talked about an earlier amount of Kshs400 million which was given many years back, and has never been recovered. The time has come when this Parliament became supreme in directing the development of this country, the management of our Government and the management use of our revenue which most Kenyan taxpayers pay. Let us not continue making Parliament irrelevant, where expenditure is decided upon in some other places and not in it. The other area which has also been mentioned concerns the bursaries for secondary school students which will be doubled. Let me say that for a number of years, most of the poor parents with very bright children are not able to take their children to high schools because in most cases, they are unable to pay the fees. I would urge the Minister for Education to make very concrete arrangements on how such bursaries are going to be distributed. Let us ensure that it is not only those who are politically-connected, who will benefit from these bursaries. The needy parents should be the ones to benefit.

The other area which the Minister for Finance talked about is the reforms in the local authorities. Even you yourself, Mr. Temporary Deputy Speaker, when you talked here, you mentioned them. Let me say that the worst problem that we have within the local authorities today is corruption perpetrated by the workers who work in these authorities. The local authorities today no longer initiate development in the rural areas, where they are supposed to help the people. Instead, they dish out public land. Councillors are dishing out public land, and nobody knows what is happening with the funds there.

I would urge that some of the reforms that would be initiated by the local authorities must include employment of good people as public servants. The people who manage the local authorities must be qualified. If the clerks and the engineers who run these authorities are good, they must be accountable. Unless this is done, I am afraid that the reforms that are being talked about within the local authorities will be irrelevant.

The Minister also mentioned one other area, which I am glad that even the Minister for Tourism and Wildlife mentioned and confirmed; the decline in tourism in this country. Recently, we have seen tourists

running away from this country, because of insecurity, and beach boys who want to have sex with tourists when they come to this country. Recently, we have heard that some of these beach boys want to have sex the "African way" with the tourists. This has gone a long way to frighten tourists from coming to this country. We want the Minister for Tourism and Wildlife to ensure that these beach boys are removed from the beaches. We should also tighten security, so that we do not lose tourists in this country.

With those few remarks, I beg to support.

**The Assistant Minister for Commerce and Industry** (Mr. Barmasai): Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to this Motion. I would like to start by thanking the Minister for Finance, for giving us a fair and good Budget.

I will now turn to the National Youth Development Programme (NYDP), which is an excellent one. We have all the time talked of unemployment in this country. All the time, we have thought of employment in factories and offices. It is also time we paid attention to self-employment in the Jua Kali sector and other businesses. If the money for this programme is properly administered and managed, it is going to create many employment opportunities for our youth.

I know of a few youth groups that I have had in my constituency and that have succeeded. I know of one group which is composed of 12 youths. Their business is growing pyrethrum and their income per month is about Kshs52,000. This translates to Kshs2,000 every month for each of them. If we had more of such groups I am sure we would have a lot of our youths getting self-employment in their own areas. Therefore, instead of opposing this programme, we should suggest ways and means of administering it in a proper way for the benefit of the youth. I hope that next year, the Minister for Finance will come up with a new Fund for women groups. This is because if women get such a programme, we will have created employment for some people who have not been able to get employment.

Still on the NYDP, I would like to strongly suggest that when its funds go to the district development committees (DDCs) each DDC should appoint a sub-committee to specifically deal with this programme. If we administer this programme generally from the pool of DDC funds, I do not think it will be properly managed. So, I suggest very strongly that there should be sub-committees of the DDCs to administer the National Youth Development Fund.

The other thing that I would like to touch on, is the issue of school bursaries. We know that in rural areas, many students are unable to go to secondary schools because of lack of school fees. We thank the Minister very much for having doubled the money for school bursaries. What I would like to urge is that this money should be fairly distributed. Sometimes we get surprised when we hear of millions of bursary money going to one particular district, whose income per capita is higher than that of another district which gets less money. I think this trend should be changed, so that this programme serves the poor better.

#### ADJOURNMENT

**The Temporary Deputy Speaker** (Mr. Wetangula): Order! Hon. Members, it is now time for the interruption of our business. The House is therefore adjourned until Tuesday, 25th June, 1996, at 2.30 pm.

The House rose at 6.30 p.m.