

NATIONAL ASSEMBLY

OFFICIAL REPORT

Tuesday, 20th June, 1995

The House met at 2.30 p.m.

[Mr. Speaker in the Chair]

PRAYERS

ADMINISTRATION OF OATH

The Oath of Allegiance was administered to the following Member:-

Musyoki Alphonse Mbinda

PAPERS LAID

The following Papers were laid on the Table:-

Annual Report on the Accounts of the Agricultural Finance Corporation Agency, Seasonal Credit Accounts for the year ended 30th June, 1993 and the Certificate thereon by the Auditor-General(Corporations).

Annual Report and Accounts of Chemelil Sugar Company for the year ended 30th June, 1993 and the Certificate thereon by the Auditor-General(Corporations).

Annual Report on the Accounts of South Nyanza Sugar Company for the year ended 30th June, 1993 and the Certificate thereon by the Auditor-General(Corporations).

[By the Assistant Minister for Agriculture, Livestock Development and Marketing, (Mr. Maundu) on behalf of the Minister for Agriculture, Livestock Development and Marketing]

NOTICES OF MOTIONS

IRREGULAR ALLOCATION OF PLOTS

Mr. N.M. Nyagah: Mr. Speaker, Sir, I beg to give notice of the following Motion:-

THAT, in view of numerous and irregular plot allocations being arbitrarily carried out across the country, this House calls upon the Government to amend the Government Land Act, Cap 280 (3), Section nine and the Trust Land Act, Cap 288 (8), Section 53, so as to allow all direct land allocation to be done by elected committees comprising Members of Parliament, Councillors, local leaders such as elders and members of the clergy and the district physical planners and the local District Commissioners be ex-officials of the land allocation committees; and further, that the Chairman of the District Land Allocation Committee be an elective post carried out by local committees at the district level.

MAJOR PROGRAMME OF CONSTRUCTION OF DAMS

Mr. Nthenge: Mr. Speaker, Sir, I beg to give notice of the following Motion:-

THAT, since most of the land in Kenya is not used due to lack of water yet Kenya supplies plenty of water to the lakes and the Indian Ocean, and considering Kenya has a high rate of unemployment, this House calls on the Government to embark on a major programme of construction of dams and use the water to irrigate the dry lands, thereby reducing unemployment and boosting food production for domestic consumption and export.

ORAL ANSWERS TO QUESTIONS

Question No.409

SUB-DIVISION OF DIVISION

Mr. Speaker: Mr. Ejore is not here yet? Next Question.

Question No.252

PURCHASE OF NATIONAL FLAG

Mr. G.I. Ndwiga asked the Minister of State, Office of the President:-

- (a) if he is aware that the Chief of Nthawa Location is raising funds from Nthawa people for the purchase of a National Flag for the Chief's office;
- (b) who is responsible for the purchase of a National Flag; and,
- (c) if the answer to "a" above is in the affirmative, what action he is taking to stop this kind of practice.

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

- (a) There are no funds being collected by the Chief of Nthawa Location for the purchase of a National Flag for the Chief's office.
- (b) The District Commissioner, Embu, is responsible for the purchase of National Flags for all his Divisional and Locational offices.
- (c) Arising from my reply in "a", part "c" does not, therefore, arise.

Mr. G.I. Ndwiga: Mr. Speaker, Sir, here now, in this House, I have people in the Speaker's Gallery who have paid money to the above mentioned chief. Could the Assistant Minister undertake to investigate, or could he challenge me to produce those people here? I can table them here to prove that they have paid the money to the Chief. The money has been paid---

Mr. Speaker: Order! What are you saying, Mr. Ndwiga? What do you want to table?

Mr. G.I. Ndwiga: Mr. Speaker, Sir, the Assistant Minister is misleading this House because I have people in the Speaker's Gallery who have paid money to this Chief---

Mr. Speaker: Order, Mr. Ndwiga! Hon. Members must know that no stranger from whatever direction in this House can participate in the debate of the House. Can you ask your Question? If you are unable to ask your Question and you want the intervention of a "stranger", then you know the right thing to do; let the "stranger" sit in your place.

(Laughter)

Mr. G.I. Ndwiga: Mr. Speaker, Sir, could the hon. Assistant Minister invite me to this office so that I go with those people concerned and they will produce evidence before him that they paid the money to the Chief? He should agree that money has been paid. Could he then call me---

Mr. Sifuna: On a point of order, Mr. Speaker, Sir. The hon. Questioner is misleading this House. Can he produce the receipts to warrant his allegation that the chief or assistant chief is collecting money from these people? Instead of telling us that he can lay them on the Table, let him produce the receipts.

Mr. Speaker: Order, Mr. Sunkuli! It is directed to him.

Mr. G.I. Ndwiga: Mr. Speaker, Sir, since strangers are never allowed in this House and as the hon. Assistant Minister knows very well that money paid illegally is never receipted, could he challenge me to go to his office with those people?

Mr. Sunkuli: Mr. Speaker, Sir, the office I occupy is a public office and the hon. Member is quite welcome to the office to present his case. That is what he should have done in the first place because the hon. Member is saying that members of the public have paid money to buy a National Flag which costs only Kshs300.

Mr. Speaker, Sir, I think it is a real exaggeration for the hon. Member to say that a whole village is being engaged in paying Kshs300 to purchase a National Flag for the Chief's office. I also want it to be known that it is not the first time the hon. Member is asking this Question about this assistant chief who is related to him, but who is also on the opposite political camp in Siakago. So, I do not think it is proper for the hon. Member to keep on insisting to be challenged.

Question No.100

CASUALTIES OF AIR CRASH

Speaker: Mr. Shikuku is not here. Next Question.

Question No.204

ARRESTS BY KENYA POLICE

Mr. Speaker: Mr. Ruhiu is also not in? We will leave his Question for the moment.

Question No.049

BURSARY FUND BENEFICIARIES

Mr. Ojode asked the Minister for Education:-

- (a) how many people benefitted from the Presidential Bursary Fund in Ndhiwa Constituency in 1992, 1993 and 1994; and
- (b) how much money was given out to Ndhiwa under this scheme during 1992, 1993 and 1994.

The Assistant Minister for Education (Mr. Komora): Mr. Speaker, Sir, I beg to reply.

- (a) The number of students who benefitted from the Presidential Bursary Fund are as follows:-

1992	-	16 Students
1993	-	19 students
1994	-	18 students

- (b) The money given under this Fund is as follows:-

1992	-	Kshs89,240
1993	-	Kshs118,945
1994	-	Kshs144,500

Mr. Ojode: Mr. Speaker, Sir, the Assistant Minister is not aware that this money was being channelled through Thabiti Finance Company. Since 1993 and 1994 money has not been disbursed up to this very moment and he is aware of that. I have a letter here from the students, one of them, Mr. Jacob Okoth Kungu, who is at Rapogi; Ibrahim Onyango Muo from Kanyamwa Location; Rashid Okech from Kabuoch and Philemon Owaga of Kwabai.

Mr. Speaker, Sir, these students are complaining that they have not received their money since 1993. I do agree with him that the money was sent, but that money is stuck in Thabiti Finance Company. Could the Assistant Minister order the release of that money so that these students could get their documents?

Mr. Komora: Mr. Speaker, Sir, I would invite the hon. Member for this area to come and see me and if there is anything we can do together to help the students, fine, but as far as I am concerned, the money has been released.

Mr. Ogur: On a point of order, Mr. Speaker, Sir. It is not possible that hon. Ojode would see the Assistant Minister about Thabiti Finance Company because Thabiti Finance Company is already deep under receivership. So, how can he be seen about what does not exist?

(Laughter)

Mr. Speaker: Let him respond.

Mr. Komora: Mr. Speaker, Sir, I have opened my door for the hon. Member to come and see me on this subject.

Prof. Mzee: On a point of order, Mr. Speaker, Sir. Is it in order for the Assistant Minister to ask the hon. Member to see him in his office regarding this Question when it is the property of the House? We need to know the answer because this thing is not only happening in Ndhiwa, it is happening in other places as well. I think if he has got anything to say, he should have said it in this House, rather than call for a private meeting.

Mr. Speaker: Order, Prof. Mzee!. I think Mr. Ojode and the Assistant Minister were in similar wave length except the little information about the monies being stuck in what the hon. Ogur said is an organisation that is "sinking deep" which I do not know. But there is absolutely no problem in hon. Members and Ministers sorting out

issues together.

Question No.208

SACKING OF MR. RORI

Mr. Anyona asked the Minister for Labour and Manpower Development:

(a) why the services of Mr. Charles Rori were terminated by Tealand Motors (K) Limited in February, 1993; and

(b) when he will be paid his full statutory benefits, including leave, salary, overtime and payment in lieu of notice of termination of services.

Mr. Speaker: Anybody from the Ministry of Labour and Manpower Development?

An hon. Member: The Assistant Minister is here.

The Assistant Minister for Labour and Manpower Development (Mr. A.K.N. Ali): Mr. Speaker, Sir, I beg to reply.

(a) The services of Mr. Charles Rori were relieved on summary dismissal by Tealand Motors (K) Ltd. in February, 1993 for having damaged the company vehicle, which he drove without authority under Section 17 (g) of the Employment Act.

(b) His dues have been deposited at Kericho Labour Office, awaiting his collection.

Mr. Anyona: Mr. Speaker, Sir, can the Assistant Minister tell this House what means he has used in informing Mr. Rori about his benefits lying at the Labour Office in Kericho? Has he, in fact, informed him?

Mr. A.K.N. Ali: Mr. Speaker, Sir, since Mr. Rori lodged the complaint, it was his duty to check with the Labour Office and collect his benefits.

Mr. Anyona: Mr. Speaker, Sir, can the Assistant Minister tell this House how much money is lying at the Labour Office in Kericho and confirm that this money has been paid in accordance with the various benefits stated in part (b) of the Question?

Mr. A.K.N. Ali: Mr. Speaker, Sir, first of all, Mr. Rori does not qualify for any terminal benefits since he was summarily dismissed under Section 17(g) of the Employment Act. However, the money deposited is Kshs4,900.

Question No.079

MURRAMMING OF TEA ROADS

Mr. Obwocha asked the Minister for Public Works and Housing when the Tinga-Rianyaundi-Igenaitambe-Myachogochogo and Ramba-Myamokeri tea roads be murramed.

The Assistant Minister for Public Works and Housing (Mr. Mwamzandi): Mr. Speaker, Sir, I beg to reply.

Mr. Speaker, Sir, murraming the road in question has already commenced as the contractor moved on the site on 13th June, 1995. The contractor is Mr. D.N.K. Construction Company.

Mr Obwocha: Mr. Speaker Sir, the Assistant Minister is misleading this House, because Tinga-Rianyaundi-Igenaitambe-Nyachogo Road passes near my house and there is no contractor on site. This is another untruth from the same Assistant Minister. It means that he has not done his homework. Could he go back and do his homework and tell this House why the Tana River District Commissioner who took money belonging to the Tea Cess Committee has not repaid the full amount of money he misappropriated? How much is outstanding from him to this committee, because that is the reason why this road has not been completed? Could he tell this House how much is outstanding?

Mr Shikuku: On a point of order, Mr. Speaker, Sir. You would agree with me that the Minister did undertake to answer this Question because he thought the Questioner was asking a very genuine question and he thought he was given a wrong reply. Is he in order to repeat the same reply because I remember the hon Questioner is using the same words that the road passes by his gate? Is he in order to repeat the same when he told us last week he would get us a better reply?

Mr Mwamzandi: Mr. Speaker, Sir, the answer I have given is not the same as the answer I had given last week. I had said then that the murraming of the road in question commenced in May 1995. When I was questioned by the hon. Member I came to realise that the work had not started but the contractor had taken his grader to the site on 13th June 1995; the day before that one. It is being confirmed now that the contractor, since 13 June 1995, has been

on site.

With regard to the question of a District Commissioner having misappropriated the money, that has nothing to do with this Question.

Mr. Anyona: I would like to confirm that the road indeed passes just outside hon. Obwocha's house. That is true because I know him. The beginning and the end of the road also touches my constituency Kitutu-Masaba and I have not seen any Grader there. So, can he tell us where exactly this grader is?

Mr Mwanzandi: Mr. Speaker, Sir, the information I have up to now which I cross-checked and found to have been correct, is that the contractor moved a grader to site on 13th June 1995 and work will take five weeks. So the work is in progress.

Mr Obure: On a point of order, Mr. Speaker, Sir. Is it in order for the Assistant Minister to mislead this House? By coincidence, the road passes near Mr. Obwocha's small "State House" and that---

(Laughter)

Mr. Speaker, Sir, it has been confirmed by hon. Anyona that by coincidence too the road passes near his place and I happened to pass there on my way to his "State House" last weekend, and I did not see any grader.

Mr. Speaker: Order! Order! I think it is time hon. Members became a little more serious. Maybe, if you crack a joke once it might be funny, but if you continue with a non joke for too long, it ceases to amuse. Be serious.

Mr Obwocha: Thank you, Mr. Speaker, Sir. Now you have heard the sentiments of the Members, that the Minister is basically telling untruth to this House. This is very sad. We would like him to go and get another answer, the third one, this time because definitely this one is a misleading answer. Now, can he then tell this House how much money has been set aside by the Tea Cess Committee in Nyamira District for these two roads?

Mr Mwanzandi: Mr. Speaker, Sir, according to the procedures of this House, when a Member is not satisfied with a reply which has been given by a Minister, he is at liberty to move a Motion of adjournment. With regard to the money which has been set aside for this road, I would like to state that on 22nd May 1995 the Kenya Tea Development Authority released Kshs5,766,732.60 while the Tea Growers Association released Kshs1,337,091.30 which totals to Kshs7,113,823.90.

Question No.152

FOOTBRIDGE OVER ROUNDABOUT.

Mr Ndicho asked the Minister for Public Works and Housing:-

- (a) when he will consider putting up a footbridge over the Githurai roundabout along Thika-Nairobi road to avoid accidents caused by speeding motorists; and
- (b) how many people had been killed by speeding motorists at the spot during the last two years.

The Assistant Minister for Public Works and Housing (Mr Mwanzandi): Mr. Speaker, Sir, I beg to give the following reply.

(a) There are no plans to put up a footbridge on the Githurai roundabout along Thika-Nairobi road because at that spot accidents are not caused by overspeeding vehicles. According to accidents data available, it indicates that the accidents here are mostly contributed by the road users themselves.

However, measures have now been taken to ensure safe passage of vehicles and pedestrians by putting up all necessary road signs and zebra crossing.

(b) Six people have been killed at the spot not by overspeeding motorists but as a result of pedestrians either walking or chatting while standing on the road.

Mr. Ndicho: On a point of order, Mr. Speaker, Sir. The Assistant Minister says that the accident are caused by the people themselves, then he goes ahead and casts aspersions on my people, that they are killed because they stand on the road.

(Laughter)

Unless they are mad, how can they stand on the road and wait for a speeding vehicle from Nairobi and knock them down? This is very serious. However, I asked this Question last year and up to now, over 20 people have been killed - people from the Kahawa barracks, Githurai, Kimbo and Kahawa-Sukari areas. Can the Assistant Minister deny or confirm that the reason why there have to be no foot bridge on this roundabout is because some plots where

the footbridge could go and reach have been grabbed by the Kiambu District Commissioner and the Kiambu Town Clerk? I have the documentary evidence.

Mr. Mwamzandi: Mr. Speaker, Sir, I am not in possession of that information.

Prof. Mzee: Mr. Speaker, Sir, I was perplexed by the answer which was given by the Assistant Minister which amounted to insulting Kenyans. Did he mean to say that the motorists are not careless, and that the pedestrians will walk and sit on the road waiting for the cars to knock them down?

(Laughter)

Mr. Mwamzandi: Mr. Speaker, Sir, we should actually teach our people how to cross the roads.

Mr. Ogur: Mr. Speaker, Sir, the Assistant Minister has been advised the best way our people can escape being killed, is either while standing in the middle of the roads or on the edge of the roads. It has been confirmed by his answer that people are being killed while their drivers see them standing in the middle of the road but now telling them to go out so that the vehicle could pass. His interest is to have them standing to be killed. My question is: what is wrong in agreeing to put the footbridge so that no standing will occur and therefore no killing will occur?

Mr. Mwamzandi: Mr. Speaker, Sir, since we are not in a position now to put up a bridge, the people should be taught how to cross the highway. The only way would be to advise the public when crossing the road to look right and left and then cross.

Mr. Speaker: Mr. Ndicho, final question.

Mr. Ndicho: Mr. Speaker, Sir, the Minister is "praying" around with the lives of Kenyans which is a big joke.

A Hon Member: Playing, not praying!

Mr. Ndicho: He is playing, Mr. Speaker, Sir!

Mr. Speaker: Order! Order! Order now. I think hon. Ndicho should be entitled to ask his question. We know how he pronounces letters "l" and "r".

Proceed, hon. Ndicho!

(Laughter)

Mr. Ndicho: Mr. Speaker, Sir, I meant to say that my soul is praying for the 20 people who have died, and I meant to say that the Minister is playing with the lives of Kenyans. My question is to ask the Assistant Minister to put jokes aside and send some people at Githurai roundabout from the Ministry, to go and ascertain whether that footbridge could still be put there despite of the area being grabbed or not, because before the end of this year, we are going to have more people killed there. Otherwise, by telling them to look "refit", "light", "refit",---

(Laughter)

Mr. Speaker: Order! Order! Order!

Mr. Ndicho: I confuse letters "l" and "r". However, could the Assistant Minister agree to send some professional people at that roundabout so that, that footbridge is put to avoid more people being killed?

Mr. Mwamzandi: Mr. Speaker, Sir, it is true accidents have occurred, and I am not playing with the lives of good people there. According to police data, last two years, the main causes of accidents at Githurai roundabout---

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

Mr. Speaker: Order! Let him finish.

Mr. Mwamzandi: Mr. Speaker, Sir, I was saying that it is true there are accidents, and according to police data there, during the last two years, 29 accidents took place at that roundabout, of which 20 were caused by pedestrians. As a result of these accidents, 63 people were slightly injured, six persons died and one was seriously injured. We are not playing with lives, we know what is happening, but before we put up a bridge, those people must be taught how to cross roads.

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

(Loud consultations)

Mr. Speaker: Order! Order, hon. Members. Order! We still have some unanswered Questions and we have to finish them before we get to business. For the second time---

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

Mr. Speaker: Yes, what is it, Mr. Ndicho?

Mr. Ndicho: Mr. Speaker, Sir, I seek the protection from the Chair, that when we ask Questions from this side, please give us protection. I asked the Assistant Minister whether he could consider sending some professional people at that spot to ascertain whether that bridge could still be constructed. He has ignored that particular question.

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

Mr. Speaker: Who are you informing?

Mr. Nyanja: I want to inform hon. Ndicho.

Mr. Speaker: What is it?

Mr. Nyanja: Thank you, hon. Ndicho, my little brother. I want to inform him that there will be no possibility of putting up a footbridge there. About five years ago, my firm, "Nyanja Associates, Architects and Town Planners" was appointed by Kiambu County Council to subdivide that area, but on ethical grounds, I declined the offer. I have now seen flats all over the roundabouts and this is professionally unacceptable. It is therefore, not possible to put a footbridge, and there is no point sending any professional team there. I am giving that advice.

Mr. Speaker: Very well, Order! Mr. Ejore's Question for the second time!

Question No.409

SUB-DIVISION OF DIVISION

Is Mr. Ejore still not in? His Question stands dropped.

(Question dropped)

Mr. Speaker: Mr. Shikuku's Question for the second time!

Mr. Shikuku: Mr. Speaker, Sir, first of all, I wish to apologise for having not been in when the Question was first called.

Question No.100

CASUALTIES OF AIR CRASH

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

- a) how many civilians and military personnel died as a result of the accident involving an Airforce Aircraft in 1992 at Kaloleni Estate, Nairobi;
- (b) what the outcome, if any, of the Board of Inquiry instituted to establish the cause of the accident was; and
- (c) what steps he has taken to compensate the dependants of those who died as a result of this accident.

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

(a) The Airforce Buffalo Aircraft that crashed at Kaloleni, Nairobi, on the morning of 16th April, 1992, killed a total of 47 people on board, as well as seven civilians of persons on the ground. That is, 25 civilians and 29 military personnel; 12 civilians on the ground were injured also. The detail of those deaths are as follows:

Military personnel	-	29		
Military personnel dependants	-	7		
DOD civilian employees	-	1		
Non-Military personnel dependants	-	10	Civilians on the ground killed	- 7
Civilians on the ground injured	-	12		

(b) The Board of Inquiry was convened in accordance with Section 223 of Chapter 199 of the Laws of Kenya on the same day of the crash. This Board which submitted a thorough report to the Government found that one of the contributory factors causing the crash was the inability of the pilot to follow the emergency landing procedures when the aircraft front engines failed.

It was further found that the aircraft's take-off weight was well within the legal limits and also that the engines failure could not be attributed to the aircraft crash because they had been maintained properly by our aircraft technician

(c) The Department of Defence has processed and paid death benefits payable under the current military

regulations to the legal dependants of all the 29 military personnel who died in the crash, amounting to Kshs. 9,899,200. All cases of civilians killed and injured and those of damage to property, as a result of the air crash, have been forwarded to the hon. Attorney-General and are at various stages of completion because they have to be determined by the courts of law. Once concluded, all the claims made shall be paid in their own merits and no valid claim will be left unpaid. So far, six cases pertaining to the civilians injured on the ground have been concluded and injured claimants paid. Five cases pertaining to the damage of property have been completed but are pending payment which will be made in the 1995/96, Financial Year.

Mr. Shikuku: Mr. Speaker, Sir, arising from that reply, does the Assistant Minister know that the lives of the military people and civilians are the same? How come that all the military dependants' cases have been processed and paid and not a single one among the dead of the civilians has been processed? I would also like him to--- Oh! I am not allowed to ask many questions at a go. Can he reply to that one first.

Mr. Speaker: Very well, I am grateful that, in fact, you know that.

Proceed!

Mr. Manga: Mr. Speaker, Sir, I think the hon. Member did not listen to my reply properly. I have said that some cases of the civilians injured on the ground have been paid.

Hon. Members: How much money?

Mr. Manga: Mr. Speaker, Sir, they have been paid.

Hon. Members: How much money?

Mr. Shikuku: On a point of order, Mr. Speaker, Sir. It appears that the Assistant Minister did not hear my question. I was referring to the dead civilians. In his reply, he said that all the military dependants' cases have been processed and paid. Could he tell me how many civilians who died from this crash - because death is death whether it is the military personnel or the civilians who died - have been paid and how much?

Mr. Manga: Mr. Speaker, Sir, to deal with a civilian case, it requires that there is a claim and that claim must be vetted. It is easy to deal with military personnel because the procedures are there. These cases are in court and they are being looked into.

An hon. Member: How long will they take?

Mr. Kapten: Mr. Speaker, Sir, the people who died are Kenyans and to say that their cases were forwarded to the Attorney-General's Chambers is being unfair to these Kenyans. What if some of those people did not file their cases? Does it mean that the Government is not going to compensate the families simply because their cases have not been filed in court?

Mr. Manga: Mr. Speaker, Sir, in any claim, there must be quantification. Somebody must quantify and somebody must claim. The Government is not going to just pay anybody who comes and says, "My person died". There must be a procedure in court.

Mr. Speaker: Mr. Ruhiu's Question for the second time!

Mr. Nyanja: First of all, I want to apologise---

Question No.204

ARRESTS BY KENYA POLICE

Mr. Speaker: Now that at least there is somebody to ask the Question on behalf of Mr. Ruhiu, the question is deferred to next week.

(Question deferred)

PROCEDURAL MOTION

LIMITATION OF DEBATE ON ESTIMATES

The Vice-President and Minister for Planning and National Development (Prof. Saitoti): Mr. Speaker, Sir, I beg to move the following Procedural Motion:-

THAT, the following limitations shall be applied to the business of the Annual Estimates:-

- (i) Each speech in the debate on the Financial Statement on the Annual Estimates shall be limited to ten minutes, excluding the Mover's speech and reply;
- (ii) On the Motions "That, Mr. Speaker do now leave the Chair" to enable Ministers to initiate debate on

policy the Mover shall be limited to a total of one hour; half an hour for moving and half an hour for replying to the debate; and all other Members speaking shall be limited to ten minutes, provided that one hour before the Question of the Vote is put the House shall go into Committee and the Chairman shall put every Question necessary to dispose of the Vote then under consideration and shall forthwith put severally the Questions necessary to dispose of the Vote;

(iii) Each speech in Committee of Ways and Means and Committee of Supply shall be limited to ten minutes.

Mr. Speaker, Sir, as is the tradition, I am moving this Procedural Motion so as to enable, as stated in item (i), the hon. Member who is going to be speaking not to spend more than ten minutes because, according to the Standing Orders, the Financial Statement is allotted seven days and, in order to allow as many hon. Members as possible to contribute to this very important Financial Statement, it is appropriate to limit each hon. Member's contribution.

Item two has to do with the Motion relating to the Taxation Measures which we are now--

*(Hon. Salat remained on his feet as
Prof. Saitoti was moving the Motion)*

Dr. Lwali-Oyondi: On a point of order, Mr. Speaker, Sir. Is it in order for two hon. Members to be standing in the Chamber?

Mr. Speaker: Order! Please, Mr. Salat, the only time you are not expected to be seated in the Chamber is when you are moving the Motion.

*(Hon. Sunkuli moved around as
the Speaker was on his feet)*

Mr. Shikuku: On a point of order, Mr. Speaker, Sir. While you were communicating to the House, did you realise that the Assistant Minister, hon. Sunkuli, was busy walking around as if in his homestead?

Mr. Speaker: Well, I did not see that.

The Vice-President and Minister for Planning and National Development (Prof. Saitoti): Mr. Speaker, Sir, as far as item two of the Motion is concerned, it deals with the Motion:-

"That Mr. Speaker do now leave the Chair."

That is the Motion which has to do with the introduction of the various Taxation Measures. Once again, it is appropriate to have as many hon. Members as possible to make their observations on the various taxation measures which were pronounced by the Minister.

Thirdly, as it is well known, we will be coming to the Committee of Ways and Means and the Committee of Supply later on when we will come to a number of individual Ministries' Budgets. There again it is proposed that every hon. Member contributing should spend ten minutes because of the very importance of the expenditure which will be inherent in the Motion in question. Again, as many hon. Members as possible need to be given the opportunity to contribute.

I commend this Procedural Motion to the House, and beg to move.

The Minister for Labour and Manpower Development (Mr. Masinde): Mr. Speaker, Sir, I stand to second this Motion.

As hon. Members have been informed, this is basically a Procedural Motion and obviously the hon Members will have a lot of time when they will be discussing Bills like the Finance Bill and other Motions during the Committee of Ways and Means Stage and so on. So, I feel that we should not spend too much time discussing this Motion other than request hon. Members to pass the Motion and we get on to the main business.

With those few remarks, I beg to second.

(Question proposed)

Mr. Nthenge: Thank you very much, Mr. Speaker, Sir. I support this Motion because most of the Members would like to say something on the Motion and all of us should agree that is a normal and a procedural Motion. We should just accept the Motion and then go to the main Motion which we will be taking only seven days and if you calculate properly you will find that not everybody will catch Mr. Speaker's eyes. So, I beg the Members to accept the Motion and let us move on and allow as many Members as possible to take the ten minutes and say something on the Motion which offers us a very good opportunity to say almost anything on this earth.

With those remarks, I beg to support.

Dr. Kituyi: Thank you very much, Mr. Speaker, Sir. While I also support this Procedural Motion, I would

like to make just one or two remarks related to the business that is to be covered by the Procedural Motion.

Mr. Speaker, Sir, it is my humble expectation that if we are going to limit hon. Members contributions to ten minutes on this most critical debate in the House, the Government side will attempt to reach as half way in an attempt to create a quorum for dealing with these matters. During the past two years, I have seen cases where hon. Members of the Government side only come in to this House when it is time for voting. One hopes that now they will sit here and when we start discussing matters of affirmative action, such as denying some areas resources, let them hear and challenge us here and not to wait to go and talk about it in public barazas.

Mr. Speaker, Sir, I also want to hope that on this critical matter of the Financial Statement, when we start discussions hon. Members, who do not agree with what others say or cannot understand what others are saying can do something other than heckling.

With those few remarks, **Mr. Speaker, Sir,** I support.

Mr. Speaker: Mr. Nang'ole!

(Laughter)

Mr. Speaker: Dr. Lwali-Oyondi!

Dr. Lwali-Oyondi: Thank you very much, **Mr. Speaker, Sir.** I beg to support this Motion which is purely procedural and we hope that this ten minutes will enable as many hon. Members to speak as possible. Usually, many hon. Members never actually manage to air the views of their constituencies. We hope also that you will allow, particularly from the Opposition side, as many hon. Members from different parties as possible to contribute, so that we do not have a monologue of hon. Members from only one party speaking. So, ten minutes are enough and if hon. Members can try to choose topics on which to talk, it will be quite adequate.

With those few remarks, **Mr. Speaker, Sir,** I think we can proceed and---

Mr. Speaker: Order! Order! You cannot do that. Time being what it is, we must go to the next business at 3.30 p.m. and, therefore, I will put the question straightaway.

(Question put and agreed to)

COMMITTEE OF WAYS AND MEANS

(Order for Committee read)

MOTION

THAT MR. SPEAKER DO NOW LEAVE THE CHAIR

(The Minister for Finance on 15.6.95)

(Resumption of Debate interrupted on 15.6.95)

(First Day of Budget Debate)

Mr. Shikuku: On a point of order, **Mr. Speaker, Sir,** I am seeking your guidance **Sir,** because I do not know whether my memory has gone rusty but I do recall normally when the Minister for Finance moves the Motion: "That the Speaker do now leave the Chair", he reads, starts his speech and finishes. There should always be a Motion for debate. Today, I can see on the Order Paper, the Motion: "That, **Mr. Speaker do now leave the Chair**", though I did not see anybody on that day formally seconding the Motion.

Mr. Speaker: Order! Order! Indeed, the Minister for Finance the hon. Mudavadi moved the Motion which in terms reads, "That, **Mr. Speaker do now leave the Chair**", and he was duly seconded by the Leader of Government Business and that question "That, **Mr. Speaker do now leave the Chair**", was proposed from the Chair. So, we have now a debate arising out of that proposition.

Mr. Wamalwa: Thank you, **Mr. Speaker, Sir.** I only have a few observations to make on this year's Budget. This Budget has been hailed as a progressive Budget by most commentators. In fact, this Budget has consolidated whatever achievements have been made as a result of the implementation of Structural Adjustment Programmes (SAPs).

One gratifying thing is that, the Budget in Kenya was presented at the same time as the Budget in Tanzania and the Budget in Uganda. This augurs well for future co-operation between the three States, because it is important

that the States synchronize their economic planning and Budgets as a major step towards the contemplated unity of the three East African States.

Mr. Speaker, whatever achievements have been made under the Structural Adjustment Programmes must be consolidated now. In other words, the Government must not let up; it must go full-speed ahead and realise the benefits that will accrue from these programmes.

Mr. Speaker, I would like to single out one point that was made or stressed in the Budget, and that is the fact that because of the streamlining of personnel employed in the Civil Service, the country has managed to save a lot of money. This is a good thing, and those who have received "golden handshakes" have gone ahead, presumably to start self-employed or employment ventures which is also a good thing. Kenyans must realise that one does not have to earn income only from employment; we must get our people to realise that they must start doing things for themselves. And they must be helped to invest in small ventures that they can manage and run for themselves and earn their livelihood from those ventures.

As a farmer, I was most perturbed by the new developments in the field of importation of cereals. This country depends a great deal on the efforts of the farmers and last year, as the Budget itself admitted, farmers in fact made a tremendous loss because the market price for maize was no more than Kshs450.00 per bag of 90 Kg; which was a mere 30 per cent of what it cost the farmer to produce.

Now, when the farmers are not doing well or when farming is not fruitful, then nothing else can be successful in this country. Our economy is basically agricultural, and the agricultural sector must be given all the incentives and all the backing in order to perform. Because whatever else we do, if we fail to feed our people, then all the grand schemes that we design and attempt to execute will come to naught.

Mr. Speaker, in Europe, within the European Union, there has been an on-going debate for years about agricultural produce and farmers have demanded certain guarantees in France, Germany and in various countries in Europe to the farming sector. We must not embrace this whole idea of liberalization wholesale and indiscriminately. We must give certain guarantees to the agricultural sector and give certain encouragement and incentives to our farmers.

Mr. Speaker, the idea of lifting the ban on importation of maize is going to be disastrous because a few people will import the maize, purportedly paid duty, when we know that duty is not paid. And then flood the market with that imported maize and Kenyan farmer, at the end of the year, is going to be left handling the can again. He is going to be left with a lot of maize that he cannot sell because the price will not be attractive at all. Let us imagine a scenario where importation of maize is so rampant, that it becomes unprofitable for farmers to farm or to grow maize themselves because it is cheaper to import it. Then what is going to happen to the livelihoods of all the farmers in this country? To a lot of people in this country, farming is a way of live and they must be encouraged to farm, and prices at least for the agricultural sector and for basic cereals like maize must be guaranteed so that the farmer does not lose heart and so he continues growing maize.

While still on the same issue, I think it is very important that the Ministry of Agriculture, Livestock Development and Marketing, takes a long hard look at the performance of the seed company. Farmers have been complaining for a number of years now that Kenya Seed Company is producing inferior seeds and no serious steps seem to have been taken. One is given to understand that the Managing Director of the Kenya Seed Company has "very powerful godfathers". But how long can an individual be protected while so many people are suffering?

(Applause)

Mr. Speaker, we who live in Kitale and know this gentleman, know what he has made for himself in a matter of few years. And even if he was a financial genius, he could not have amassed the wealth he has amassed. I think it is time the Kenya Seed Company was managed by a different person, perhaps he is too used to the job he cannot do it properly.

I wish also to commend the Government on their retrenchment in the Civil Service. One would like to see this go further, it is okay to reduce the number of civil servants, but there is still a lot of areas where the Government could reduce even more. I don't think that any country is high bound by institutions that it inherited at independence.

The Provincial Administration is an institution that this country inherited at independence, it employs a lot of people and I say "employs" in parenthesis. This country should start looking at other alternatives of closer administration of the people instead of a strong arm of "dictatorial regime" called the Provincial Administration that only reports or is responsible to the Office of the President. In the colonial days, this was the governor's hand in all the provinces or villages and this is no longer necessary. I think it is important now that this country has strong local governments properly so-called. In other words, the local authorities must be strengthened; they must be given more powers and more responsibilities and rights to appropriate local taxes and be responsible to the local person for all the functions of the Government. By this I mean county councils must be responsible for education, health and

everything else; let them continue getting grants from the Central Government. But at the local level, they should be answerable to the voters and tax-payer as to why there are no drugs in the local hospitals. Somebody nearby can be identified as being responsible for what ought to be done at local level. Saying "it is a problem in the Ministry in Nairobi" to a sick person in Kajiado, Narok or Kapenguria, is not good enough. He should be told the chairman of the county council is responsible for providing drugs here and, if need be, the people can go to the chairman's house and say they want drugs. And if he doesn't provide those drugs come the next election, he will be voted out. I think this will give people more power over their elected representatives.

Mr Speaker, Sir, with regard to the bursary scheme, it is a good idea and one congratulates the Government for contemplating alleviating fees problems for the poorest members of our society. But a programme can only be as successful as it is implemented. At the moment, the Presidential Bursary Scheme is administered through the local district commissioners' (DCs) offices. If the DC does not like people from a certain village or sub-location because, perhaps, they are in the Opposition, he is going to make sure that no children from that area get any bursaries. I would like to propose that these bursaries be administered directly through county and municipal councils. This is how the needy children will receive a help from the Government.

With those words, I beg to support.

Mr. Shikuku: Ahsante sana, Bw. Spika, kwa kunipa nafasi hii ili niongee juu ya hotuba ya Bajeti iliyotolewa hapa na Waziri wa Fedha. Jambo la kwanza ni kwamba watu wakubwa walisema kwamba Bajeti hii ni nzuri sana kwa sababu inawafaidi wananchi wote. Lakini ukweli ni kwamba Bajeti hii ni nzuri kwa wewe, mimi na watu wengine wakubwa lakini si nzuri kwa wananchi wadogo, ambao nazungumza kwa niaba yao. Hata wataalamu wa somo la uchumi wanajua kwamba ukiongeza bei ya petroli, umeongeza bei ya kila kitu kingine. Sasa bei ya petroli iliongezwa na sasa nauli ya matatu imeongezeka kwa kati ya Kshs3 na Kshs10. Nyongeza hii inawaumiza watu wadogo. Hata bei ya sigara, chumvi, Kimbo, kiberiti na mafuta taa itaongezeka. Sasa, uzuri wa Bajeti hii kwa mtu mdogo uko wapi? Ajabu ni kwamba, wewe na mimi tunanunua mafuta ya Kimbo kwa bei sawa na "watu wadogo". Kama kungekuwa na maduka yenye bei za "watu wadogo" na mengine yenye bei za "watu wakubwa" ningesema kwamba Bajeti hii ni nzuri. Lakini sasa siwezi kulidanganya Bunge hili, au nchi hii kwamba, nimefurahishwa na Bajeti hii. Sikufurahi hata kidogo.

Pia Waziri aliipunguza kodi ya foradha kwa asilimia tano na pia kodi ya thamani ikapunguzwa kwa asilimia tatu, jumla ya upungufu wa kodi kwa watengeneza bidhaa ukawa ni asilimia nane. Sasa kwa nini bei ya petroli iliongezwa? Badala yake ingepunguzwa ili mwananchi afaidike kidogo. Tunaambiwa kuwa inflation imepungua lakini watu wa Butere hawajaona upungufu huu kwa sababu bei ya vitu inazidi kupanda. Watu wadogo wanaendelea kuumia huku watu wakubwa wakiendelea kushiba kiasi cha hata kutapika. Kwa kipindi cha miaka 10 iliyopita, nimekataa kuhudhuria karamu ya Bajeti. Lakini mwaka huu nililetewa kadi ya kualikwa kwa karamu hii na nikaamua kuhudhuria. Nilipoutizama mlo uliokuweco katika karamu hiyo, niliona kwamba, thamani yake haikupungua Kshs5 milioni. Pesa hizi "zilizomezwa" na watu wakubwa zingesomesha watoto wangapi?

Mwaka jana nilimuomba Waziri aipunguze kodi ya thamani kwa asilimia 5, lakini naona kwamba ameipunguza kwa asilimia 3 tu! Asilimia hii ina faida gani? Angeipunguza kwa angalau asilimia 5! Ni lazima Waziri wa Fedha aipunguze zaidi kodi ya thamani. Hii ni kwa sababu kodi hii inawaumiza watu wa mapato madogo sana. Utaona kwamba Makamu wa Rais, ambaye ana mshahara mkubwa, na yule mama wa Kajiado ambaye hana mshahara, wanatozwa kiwango cha asilimia 15! Sasa haki iko wapi?

Jambo lingine ni hili: Hapa Kenya ukiwa mkubwa maisha yako ni makubwa na ukiwa mdogo maisha yako ni mdogo pia. Kwa mfano, nimegundua kwamba kutokana na ile ajali ya ndege huko kaloleni, jamaa za wafu waliokuwa maofisa wa kijeshi wamelipwa fidia, lakini jamaa ya wafu wa kiraia hawajalipwa kitu! Sasa, watu wote walikufa na kifo cha kila mtu ni sawa. Kwa nini jamaa ya wafu wa kiraia wanaendelea kuambiwa wangojee? Ni lazima hivi vitendo vya kuwaonea watu wadogo viishe kama tunataka amani, mapenzi na umoja. Amani, mapenzi na umoja haviwezi kupatikana ikiwa watu wadogo, ambao ndio wengi, hawafanyiwi haki. Rais anaendelea kuimba kila siku amani, mapenzi na umoja lakini vitu hivi havijapatikana, ingawa tayari ameitawala nchi hii kwa muda wa miaka 16. Hii ni kwa sababu "watu wadogo" hawafanyiwi haki. Pengine ataendelea kuviimba vitu hivi hadi Yesu aje hapa duniani, na bado havitapatikana.

Bw. Spika, sisi Wabunge tumewasahau wananchi. Tunasema kwamba tunataka vitendo badala ya maneno na hali kodi itakayolipwa na wananchi kutokana na Bajeti hii itaingia katika mifuko ya "watu wakubwa" badala ya kutumiwa kuwasaidia "watu wadogo". Baada ya "watu wakubwa" kuinyakuwa kodi hii wanaanza kuwarudishia wananchi kiasi kidogo kwa njia ya Harambee. Utamsikia mtu akisema "Sisi tunatoka Kisii lakini tunayapenda maendeleo ya watu wa Butere", na kumbe pesa anazotoa katika Harambee wakati huo ni kiasi kidogo cha kodi ya wananchi iliyoibiwa.

Bw. Spika, ninatoa mfano tu. Hii si haki, kunyang'anya wananchi kodi yao, halafu mnawarudishia kidogo. Wananchi wakiiba kitu kidogo, wanashikwa. Hili ni jambo ambalo lazima likamilike. Sisi ambao tulipigania Uhuru

na ambao tungali hai, tutazidi kukumbusha Serikali hii kwamba hatukutoa Harambee ndipo tukapata Uhuru. Tulisema maneno, na Mzungu akaona cha mtema kuni. Tulienda Lancaster House na tukaleta Uhuru hapa, bila Harambee. Hatukuwa na *asoya* siku hizo. Hatukuwa na ufisadi ndipo tukaleta Uhuru huu. Imekuwaje sasa mnawanyang'anya wananchi kodi yao na kuwarudishia kidogo, mkiita Harambee? Wanachi wanapaswa kujua kwamba adui yao mkubwa ni Serikali hii tukufu ambayo, pengine ni takatifu. Adui ya wananchi na taabu zao zote --- watoto tumesomesha na wamerudi nyumbani, wengine na "degree" na wengine na "o-level", kazi hakuna, na hakuna njia iliopangwa katika hii mipango ambayo itatoa kazi kwa watu wadogo. Hatuwezi kuishi namna hii. Serikali haina mipango wala haitaki kupanga. Kitu wanachotaka ni kupatia watu vitu. Tunataka Serikali ipindue maongozi yake. Funza watu jinzi ya kuvua samaki, badala ya kuwapa samaki. Wamefanya watu wetu kuwa waombaji. Serikali hii ndiyo adui nambari moja wa wananchi wadogo katika Kenya hii.

The Assistant Minister for Public Works and Housing (Mr. Mwamzandi): Ahsante sana, Bw. Spika. Hata mimi ningependa kuchangia Hoja hii. Mchango wangu ni kwamba ingawa hii Bajeti ni nzuri, wasiwasi wangu ni juu ya huduma zinazokosekana katika nchi. Huduma zenyewe hasa ni zile za hospitali. Mimi huzungumza habari ya hospitali ambazo wananchi wadogo hutegemea. Sisi wengine ambao tuko katika Bunge hili, na watu wengine matajiri, tukiumwa, tunaenda katika hospitali kama Nairobi, Aga Khan, Mombasa, Pandya, na wengine wanaende hata Ulaya. Lakini wasiwasi wangu ni juu ya hawa watu wadogo ambao huenda katika hospitali kama Kenyatta, Msambweni na zile hospitali zingine za wilaya. Hawa ndiyo wanaopata taabu zaidi. Kwa mfano, utaona kwamba mwananchi kule Msambweni akienda Msambweni District Hospital, kwanza, hakuna dawa; pili, hakuna X-Ray services; tatu, hakuna ambulance. Hizi huduma tatu ambazo ni muhimu kwa mwananchi wa kawaida zikikosekana katika hizo hospital ndogo ambazo anaweza kwenda, huwa ni tatizo kubwa katika sehemu hiyo.

Bw. Spika, kifo kimekuwa tukio la kawaida katika hospitali zetu kuliko kupona, kwa sababu hakuna haya matibabu. Kwa hivyo, ningependa Waziri wa Afya aone kwamba madawa yanapatikana ili mwananchi wa kawaida asiyeweza kugharamia hospitali za kibinafsi apate matibabu kwa haraka iwezekanavyo. Leo, kitu kilioko ni kwamba taabu ni kubwa sana, na kama nilivyosema mbeleni, visa vya kifo vimekuwa vingi sana kuliko vya kupona. Kwa hivyo, lazima tuwe na wasiwasi juu ya jambo hili.

Bw. Spika, ikiwa tunaweza kutengeneza "Road Maintenance Levy", ninaona pia tupate njia ya kutengeneza "Medical Levy" ambayo itatupatia pesa za kununua madawa na ambulance. Hii itawezekana kwa kulipiza aina yoyote ya kodi, ikiwa hatukuiweka kwenye Bajeti yetu. Tukipata hii Medical Levy, ninafikiri hospitali zetu zitaweza kutoa huduma muhimu.

[Mr. Speaker left the Chair]

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

Bw. Naibu Spika wa Muda, jambo jingine linalonitia wasiwasi ni utozaji wa VAT. Hii haiko sawa kwa sababu utaona kwamba yule 'importer' atakapokuwa ameleta vitu, vikiwa Mombasa Port, analipia VAT hapo. Kisha anapovipeleka kwake, kuna watu wanaoitwa 'wholesalers' ambao wanavinunua na wanalipa VAT. Kisha, huyo wholesaler akiuzia retailer, huyu retailer naye analipa VAT. Mwishowe kuna wale 'consumers', nao pia wanalipa VAT. Sasa hii VAT italipwa mara ngapi? Ni fikira zangu kwamba hii VAT ingetozwa pahali pamoja - the source or the manufacturing company. Hakuna haja ya kuilipa huko mwisho, lakini utaona kwamba kutoka port, kwa wholesaler, kwa retailer, kwa consumer, kila mahali, VAT inalipwa. Sasa imekuwa VAT mara tano. Hii imekuwa ngumu zaidi. Tena, utaona kuna jambo jingine; hata katika mkahawa ama hoteli, ukinywa chai, unalipishwa VAT. Hata chakula unalipia VAT. Swali langu ni kwamba; kulingana na vikaratasi vilivyoko pale, hiyo VAT haiendi kwa Serikali. Nina shaka kama ushuru huu unafika kwa Serikali. Mimi ninaona hivi ni vijitabu wanabiashara wanaweka, lakini watu wa VAT wakienda, hakuna chochote. Ninajua hii kwa sababu ukienda kwa Mhindi leo, ukitaka kununua kifaa cha gari, anakwambia; "yes, I have it. If you want a receipt, it is going to be Kshs250, but without a receipt, Kshs200". Unaona, ukora umeanza hapo. Ukipewa risiti, unalipa VAT; ukisema huna haja na risiti, hakuna VAT. Kwa hivyo, hizi mali zote katika Kenya zingelipiwa VAT mara moja, na mwenye kutengeneza hizo bidhaa au yule mwenye kuziagiza kutoka nje. Lakini kulingana na vile mambo yalivyo leo, tunalipa VAT mara sita au saba kwa bidhaa ile ile. Ninafikiri hili ni kosa moja katika makosa makubwa sana.

Bw. Naibu Spika wa Muda, tumesema Bajeti ni nzuri sana lakini nilipoangalia Development Estimates na Recurrent Estimates katika vile vitabu vikubwa vikubwa tulivyopewa, ninasikitika kwamba kwangu sikupata chochote.

In fact, I got nothing. Kwa hivyo, utaona kwamba wale wanaopanga hizi Estimates wasitegemee kwao. Kuna wengine pia. Tunataka hii "national cake" iende kila mahali. Kwangu sikupata barabara ya lami na nimeuliza kibarabara kidogo. Nimeuliza ambulance na sikupata.

Hakuna kitu! Kwa hivyo, wale ndugu zangu walio katika vyeo wasijipelekee kila kitu kwao. Wajue kwamba, ili KANU iwe na nguvu, zile sehemu zilizo na KANU lazima zipate huduma. Nimeona kwamba Wizara ya Fedha inababaika sana na sehemu za Upinzani. Inawapa kila kitu.

Mr. Shikuku: Jambo la Nidhamu, Bw. Naibu Spika wa Muda. Mhe Mbunge ana haki ya kulipotosha Bunge wakati anapojua kwamba hata leseni za mikutano hatupewi?

The Assistant Minister for Public Works and Housing (Mr. Mwamzandi): Bw. Naibu Spika wa Muda, ukiangalia vile---

The Temporary Deputy Speaker (Mr. Ndotto): Order, Mr. Mwamzandi! That was his own opinion. Continue, you do not have to reply to that interjection.

The Assistant Minister for Public Works and Housing (Mr. Mwamzandi): Ahsante, Bw. Naibu Spika wa Muda. Wakati mhe. Mbuge aliyekuwa on the Floor angetuambia hawapewi leseni za mikutano na tungemsaidia.

Mr. Shikuku: Hatupewi!

The Assistant Minister for Public Works and Housing (Mr. Mwamzandi) Bw. Naibu Spika wa Muda, ningependa Waziri aone kwamba sisi ambao tumetengeneza Serikali tumefaidika kwanza na wale watu wa upande wa Upinzani wapate yale yatabaki. Wangekuwa kama paka wanaokula mifupa baada ya karamu. Sisi tungekuwa tukipata huduma kwanza. Ingawa Serikali inawapa huduma lakini wao wakipata mamlaka wale wanaowapinga hawatapata chochote. Nafikiri mhe. Shikuku ataniunga mkono kwamba tulipokuwa hapa, mwaka wa 1963, watu wa KADU tulikuwa tukinyimwa kila kitu. Watu wa KANU ndio walipata kila kitu. Ndipo tukasema nasi tujunge na KANU.

Mr. Shikuku: Mnaunga KANU na bado hampewi!

The Assistant Minister for Public Works and Housing (Mr. Mwamzandi): Bw. Naibu Spika wa Muda, ananiunga mkono. Basi sisi tungefanya hivyo, hivyo ili nao waone wivu waje kwa KANU. Wako katika Upinzani na hali huduma zote wanapata. Sasa watakuja kwa KANU kufanya nini na hali wanapata zaidi ya watu wa KANU? Kwa hivyo, ningetaka Waziri wa Fedha aone kwamba wafuasi wa KANU wanapata zaidi kuliko wale wa Upinzani. Tukikosa kufanya hivyo, hatutafaidika.

Kwa hayo machache, naunga mkono.

Mr. Obwocha: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity so that I can say a few things about the Budget. Overall, this Budget was expected to deliver more than it did. However, we will come to the details later when we discuss the Estimates.

We expected the Minister for Finance to tell the Kenyans and this House, in particular, what levels the Government has reached in terms of borrowing. How much money is Kenya Government owing the foreign countries? This Government is soon going away and it is going to leave this burden to the next Government of FORD(K) and it is going to be a burden. We would like to know what are the current levels right now of borrowings.

We were told that the deficit has been reduced to 0.7 per cent. We would also like to know whether this is not a pure public relations exercise by the Government because, as we know, several institutions and several individuals have been rendered bankrupt by this Government because they have not paid pending bills.

Dr. Lwali-Oyondi: On a point of order, Mr. Temporary Deputy Speaker, Sir. I do not want to waste his time, but I was just trying to inform him that he is out of order by telling us that the Minister for Finance has not informed us about the external debts which he has clearly put here as US\$5 billion.

Mr. Obwocha: Mr. Temporary Deputy Speaker, Sir, I think that that may be a point of information and not a point of order.

When the Government is telling us about removing the deficit, we would like them to tell us whether they have paid all the pending bills that are there. This Budget goes ahead to increase the base of VAT and reduce the rate from 18 to 15 per cent. But as my colleagues have said, this tax has not been administered properly due to corruption.

What is the new Kenya Revenue Authority going to do about the corruption that exists among within traders from the manufacturers to the wholesalers up to the retailers? We need to be told what measures the Government is putting in place so that the VAT is not misused. We know that all the taxes that are going to be raised are not going to be remitted to the Government.

While we probably appreciate that the rates were reduced, the areas that have been left out have hit the Kenyan farmer. The Presumptive Tax has been introduced and also the imports of maize and other cereals have been lifted. I do not know what that means to the farmer because I think this country and this House is being taken for a ride. If, indeed, we can pass a Motion here and it is not effected, I do not know what we are doing in this House.

Mr. Shikuku: You are talking to stones!

Mr. Obwocha: Mr. Temporary Deputy Speaker, Sir, I hope that those stones will one day be hit hard. At

least, some hon. Members have received a note from Kalenjin farmers complaining of what Kenyans are suffering from. This tax does not discriminate against any Kenyan, whether he is Kalenjin or not. I am sure most of you have got it and what it says is, indeed, true in this country. We cannot say that all of them are enjoying the fruits of this Government.

When we come to the actual Estimates, we will be able to say a few nasty things. When I looked at this Budget, I was shocked to note that this House deliberated on a Motion on a road which starts from Kericho via Chemosit-Nyamira to Kisii and was passed. This Motion was moved by hon. Anyona here and yet in these Estimates, that road has not been catered for. They have put merely a provision of Kshs200,000 and yet the Minister for Transport and Communications told this House that the total cost of that road was going to be Kshs326 million! Why could they not even provide even Kshs50 million to start with?

While we appreciate that the Minister increased the Personal Reliefs by 20 per cent, if you look at the rates for a single person, where the taxable income is going to be Kshs3,640, when you take that into account, how much money are we talking about? We are talking about money for buying four bags of maize. It is very sad that the Minister has not, indeed, looked at the income levels of Kenyans. Further, the Minister goes ahead and says that "those taxpayers who do not submit some of these returns in time are going to be penalised twice". The previous penalty was 42.6 per cent. I submit that these kind of penalties that the Minister is introducing are going to drive these businessmen, traders further into submitting returns which are not correct. They are going to hide their incomes. We would rather have strengthened the people who collect the taxes or the people who advise and prepare the accounts for these businessmen. That would have helped the Government instead of introducing very heavy penalties because if a farmer or a businessman knows that the penalty is going to be higher, then definitely, the first thing he will do is to submit a fake report or a fake return so that the penalty does not get him.

We would have expected the Minister for Finance to tell us what has constituted the level of exchange of the Kenya Shilling.

*[The Temporary Deputy Speaker
(Mr. Ndotto) let the Chair]*

[Mr. Speaker resumed the Chair]

Mr. Speaker, Sir, the Kenya Shilling has fallen from Kshs35 to the US Dollar to the current rate of Kshs53 to the US Dollar. How much money are we talking about? We are talking about four bags of maize. It is very sad that the Minister for Finance has not indeed looked at the income levels of Kenyans. Further, the Minister goes ahead and says that those taxpayers who do not submit some of these returns in time are going to be penalised twice. The previous penalty was 42.6 per cent.

Mr. Speaker, Sir, although at the moment it would appear that the current exchange rate is helping the exporters, we would like to know what impact it is having on other people. We would also like to know what has caused the depreciation of the Kenya Shilling. For example, those people with children in overseas universities are going to pay a lot of money now because our currency has depreciated against the other currencies.

Mr. Speaker, Sir, I would like to conclude by condemning the Minister for Finance for introducing duty on *mitumba* or second-hand clothes. Most hon. Members here are wearing *mitumba*. Even the Assistant Minister for Finance is wearing one!

The Assistant Minister for Finance (Mr. Keah): On a point of order, Mr. Speaker, Sir. Is hon. Obwocha, in order to insinuate that I wear *mitumba* when, in fact, I wear decent suits, tailored here by decent Kenyan tailors? Does he want to make me look like a *mtumba*?

Mr. Speaker: Order! What is *mitumba*?

Mr. Obwocha: Mr. Speaker, Sir, *mitumba* are very nice, second-hand clothes and most of us are wearing them. We would like the Assistant Minister to abolish that tax that has been imposed on *mitumba* in order to save the small Kenyan who cannot afford the decent suits the Assistant Minister gets from Little Red shop.

Finally, Mr. Speaker, Sir, the Minister for Finance should tell this House why the contract for maintaining the equipment of Kenya Ports Authority was given to another party. This is because we believe that the KPA has the manpower to maintain its equipment. This is how corruption creeps in and spoils everything.

With those very many remarks, I beg to support the Motion.

Mr. Mwaura: Thank you very much, Mr. Speaker, Sir, for giving me this opportunity to contribute to this Motion on the Budget Speech. This year's Budget has been hailed as the best Budget since hon. Mudavadi became Minister for Finance.

On the question of the domestic economy, and according to the Budget Speech, it is obvious that our

economic stability has come about as a result of the efforts of our people in the agricultural sector. It should be noted that our agricultural exports increased by almost 60 per cent. This is also attributable to the fact that ethnic clashes have subsided. Due to the peace and tranquillity prevailing in the rural areas, our farmers have been able to engage in agricultural production. The decline in ethnic violence can be attributed to the efforts that His Excellency the President has made. But some Ministers in the Government go round in the country, as we noticed over the weekend, making some inflammatory remarks. Last weekend, the Minister for Local Government together with the Minister for Agriculture, Livestock Development and Marketing, addressed a public rally somewhere in Narok District where they told the Maasai community to resist the "foreigners" or other local Kenyans who live in that district. Such speeches do not help this country; they do not help our economy. Such speeches tend to destabilise everything the Government is trying to do.

Mr. Speaker, Sir, in his Statement, the Minister for Finance said that our economy has also stabilized due to Government efforts to reform the Civil Service. While this is appreciated, we would like to appeal to the Government that the Civil Service is being trimmed with the aim of reducing the wages bill, the Government should ensure that those people who are recruited into the Civil Service, especially university graduates, are recruited fairly. The Government should give priority to the people who are qualified. Tribalism and nepotism should not become the criteria when it comes to the recruitment of our youths into the Civil Service.

Mr. Speaker, Sir, the Government should assist and develop those technical institutes that have been put through Harambee efforts. I say this because the crime rate in the country has been rising. There have been many armed robberies. Bank robberies have been carried out by armed gangsters and something must be done about this problem. Wananchi have been robbed their vehicles at gunpoint. Some have even been murdered in such robberies. These problems are cropping up because we have large numbers of unemployed youths. If the youth has no employment it turns to crime. I would appeal to the Government to ensure that our security personnel are properly qualified to deal with criminals. Crime can be reduced by ensuring that the youth of this country are employed and given proper training.

Mr. Speaker, Sir, there are some elements in the Police Force who are engaging in criminal activities. Everything should be done to ensure that our security men do not turn into criminals.

Mr. Speaker, Sir, the privatisation programme that the Government is currently carrying out is good because it opens up the economy of this country. When trade licensing used to be done at the Central Bank of Kenya, we knew how much corruption there was in this country. Nobody could get a licence without paying a bribe. Such licensing is no longer required. If you have money to enable you to engage in business, and if you pay Customs Duty on your imported goods to enable the Government to raise revenue, then you will be helping the Government. The Structural Adjustment Programmes (SAPs) that the Government has instituted are going to help this country very much.

The other area which I commend the Government for is the question of exchange control. The Finance Minister has gone a long way in bringing the country to a stable exchange control without control by the Government. This is where you can see our shilling then trying to stabilise.

Mr. Speaker, Sir, as the earlier speaker has said, we continue getting worried because of fluctuation of the Kenya Shilling against the foreign currency, because if you looked at last year, the Kenya Shilling was lower, yet this year it hiked up to 57 against the dollar. We hope that our currency will be made stable and that can only come about by having a stable economy.

Arising from the Minister for Finance's Speech, we have seen that it is the farmer who has helped to stabilise this economy. We notice the coffee price continues to earn good foreign exchange for this country, but we are disheartened to notice that the tea commodity which also helps to bring a lot of foreign exchange, the tea earning has continued to decline in terms of earnings. I would have been delighted if the Minister for Finance told this House why the tea revenue has continued to decline. We believe the tea farmers are not really getting their dues. They are not getting their sweat paid for because the tea industry in this country is not properly being managed. The tea farmers are not being paid the proper revenue and of course this way, the tea farmers get demoralised as a result of which they continue to neglect the tea industry.

Mr. Speaker, Sir, the other area is the question which came about - the question of the Budget taking the cognisance of women participation in our economy. Because I see my time is running out, I want to support this area and the women of this country must be supported to be qualified to engage in area where men have dominated in the past

With these few remarks, I beg to support.

The Minister for Lands and Settlement (Gen. Mulinge): Ahsante sana, Bw. Spika, kwa kunipatia nafasi hii, ili niunge mkono Waziri mwenzangu wa Fedha, kwa makadirio yake ya pesa ya wiki iliopita. Mwananchi yeyote ambaye yuko katika nchi ya Kenya, angependa kuona matokeo ya makadirio haya kwa vitendo.

Kwanza, Bw. Spika, kabla ya makadirio haya kuletwa katika Bunge, tulikuwa tukihubiri kwa watu wetu ya kwamba mwaka wa fedha ukifika, barabara zitakuwa nzuri na yatategenezwa kila mahali. Sasa wakati umefika. Ikiwa wananchi watakaa bila kuona matokeo ya makadirio haya, itakuwa ni kama tunawandanganya wananchi wenzetu. Barabara katika sehemu za mashambani, hasa mahali ninapotoka katika Constituency ya Kathiani, ni baya. Kwa hakika ni baya kwa sababu musimu wa mvua uliopita ulikuwa na mvua kubwa, na barabara nyingi zimeharibika, na hata daraja zingine zikabomoka. Wakati huu, ni sehemu chache tu, ambazo zimetengenezwa kidogo. Sisemi ya kwamba Serikali haifanyi kitu kwa upande wa barabara kwa sababu kuna zingine zinatengenezwa vizuri, lakini kule ndani kunakoishi wananchi, hasa sehemu zinazopandwa kahawa, barabara ziko katika hali baya. Barabara katika sehemu zingine za huko kwetu, na huu ni msimo wa kuvuna kahawa, hazipitiki hata na trakta kwenda kubemba kahawa. Kwa hivyo, wananchi wangelipenda kuona barabara kama hizo ndogo zimetengenezwa.

Bw. Spika, jambo lingine ambalo tunahitaji sana na ambalo mwananchi wa kawaida anapenda kuona ni upande wa stima. Sekta ya Jua Kali leo ndiyo moja kati ya faida ambazo vijana wetu wanaotoka katika shule, na wale wanaopata kazi wanaweza kufaidika, lakini hawawezi kufanya vizuri bila kuwa na stima ya kuwawezesha waunde hizi vitu vidogo vidogo kama ndoo, taa na vitu vingine.

Bw. Spika, namuuliza Waziri mwenzangu kama, hata kama si yote, aeneze stima kutoka katika miji mikubwa mikubwa, ziende kule nje, kwa maana kule nje ndipo mahali ambapo tuko na watu ambao wako na taabu, na ambao yangelipenda kujisaidia. Kwa hivyo, upande wa stima, nauuliza uangaliwe sana na ipelekwe karibu kila mahali, hasa katika kila soko kama inawezekana, maana kwa wakati huu kuna sehemu zingine ambazo ziko na health centres. Najua ziko kadhaa kwangu, ambazo kwa muda mrefu uliopita, ni Health Centre katika sehemu hiyo hazina stima. Kwa hivyo huwezi kuweka dawa ambazo ni muhimu, na zile ambazo zinatakikana ziwe katika mahali pana baridi. Huwezi kuiweka huko kwa sababu hakuna stima. Kwa hivyo, itakuwa jambo la maana wananchi kwa kawaida kuona kwamba katika masoko madogo madogo stima zimewekwa.

Jambo lingine ni maji. Maji ni uhai wa mtu, na kila mtu ambao yuko katika nchi hii anakunywa maji. Wale wanaoishi katika miji mikubwa kama Jiji la Nairobi na kwingineko, hawajui taabu ya maji kwa sababu wako na maji safi ambayo yako karibu. Lakini wale ambao wako inje, katika sehemu moja Constituency yangu, pahali panapoitwa Lukenya, iko sehemu kubwa ambayo inatoka kwa barabara ya Mombasa na kwenda mpaka kupakana na Kiambu, ambako hakuna maji hata kidogo. Tangu hapo zamani, maji yaliokuwa yametumika wakati ya ukoloni yalikuwa ya kutoka katika mabwawa ambayo yalikuwa yakitengenezwa kila mwaka, kwa maana mvua ikinyesha, kunakuwa na matope yanayojaza mabwawa hayo. Kwa hivyo, ni lazima matope haya yatolewe.

Bw. Spika, kwa muda mrefu uliopita, haya mabwawa hayajafanyiwa kazi, na mengine yamepotea kabisa, hata hayawezi kutumika. Kwa hivyo, namuuliza Waziri mwenzangu, kazi kama hiyo ambayo ni ya kusaidia wananchi kwa upande wa maji, hata kama si ile maji ya mfereji, kuwe na mabwawa ambayo ni mengi na yako katika kila mahali katika Kenya, na hata zaidi kwa Constituency yangu kwa maana najua huko, yatengenezwe, na kuwekwe bidii. Hata kama si kila mahali, kuwe na mabwawa kadhaa ambayo yametengenezwa na , ambayo msimu wa mvua ijayo ukija, yatajaa maji. Ikifanyika namna hiyo, mwananchi wa kawaida atajionea kwa macho yake kwamba ni kweli tumefikia mwaka wa fedha na kazi ni hii ambayo tumeona imefanywa na pesa hizo. Lakini bila hiyo, mwananchi hatajua hata kidogo, kwa sababu vitu kama Value Added Tax (VAT) ambayo inapunguzwa kidogo, si watu wengi wanaojua VAT ni nini kwa sababu hawanunui kitu chochote. Wako nje kabisa katika sehemu za mashambani, mahali ambapo vitu kama hizo ni kama ndoto kwao. Mwananchi akiona kwamba Serikali imeleta tingatinga za kuchimba mabwawa ya maji, hata kama hayo maji si safi, ataona kwamba Serikali inafanya kazi.

Bw. Spika, jambo lingine ambalo ni la maana sana ni kuhusu dawa katika hospitali zetu. Ni jana tu ambapo nilienda katika hospitali moja kule kwetu na nikakutana na mama mmoja akibeba mtoto. Huyu mama aliniambia kwamba mtoto wake alikuwa mgonjwa na alikuwa amekaa hapo kwa muda wa siku tatu akisubiri kupata dawa. Alikuwa ameandikiwa dawa lakini hakuwa amepatiwa kwa sababu hakukuwa na dawa kwa maana ilisemekana kuwa pesa hazikuwa zimeingia. Wakati ndiyo huu ambapo pesa zimefika. Yale makadirio Mhe. Waziri alifanya wiki iliopita, sasa ni wakati wa kununua dawa za hospitali ili wale watu ambao hawajiwezi kama huyo mama wajisaidie. Kwa muda wa miezi sita ya kwanza kuanzia sasa hivi, tunatarajia kuwa hospitali zitakuwa na dawa. Najua kwamba hivi juzi kuna afisa mmoja alipewa kazi hiyo na tunaona na tumesoma katika magazeti kwamba katika hospitali nyingine dawa zimepelekwa lakini zingine bado. Sasa vile makadrio yamefanywa, hivi ni kusema kwamba pesa ziko na sasa ni jukumu la wanaohusika kujaza dawa katika hizi hospitali ili mwananchi wa kawaida wasije akaumia.

Bw. Spika, jambo la mwisho ni juu ya usalama. Katika nchi hii tunapenda usalama. Ikiwa tutaishi tukijua tuko katika Kenya huru ni lazima tujiamini sisi wenyewe na ni lazima tuhakikishe ya kwamba chochote kinachoweza kudhuru Mwanakenya hakitafanyika. Tunasikia ya kwamba katika Kenya hii kuna watu wengine ambao hawafurahishwi na Serikali ilio mamlakani na pengine wangependa Serikali nyingine. Kwa sababu ya hiyo, wengi wao wamatoroka wakaenda sehemu zingine nje ya nchi hii. Wale watu wanaowafahamu watu kama hao wawambie kwamba Kenya ni nchi ya amani na kama wao ni Wanakenya warudi katika nchi hii kwa maana nchi hii ni ya amani

na tunataka amani. Hakuna haja ya kugombana sisi kwa sisi. Mimi sijali kama ninaambiwa kwamba nimefanya makosa. Nitajirekebisha lakini sitaki niambiwe kwa fimbo kwa sababu risasi ikifyatuliwa utaumia.

Kwa hayo machache, ninaunga mkono Hoja hii.

Dr. Oburu: Thank you very much, Mr.

Speaker, Sir. I would like to start contributing to this Motion by first thanking the Minister for Finance for trying his best to introduce a balanced Budget. But, I would like to make a few observations from this Budget Speech by the Minister.

First, I would have been happy with the increase of the fuel levy if a number of things were first done. In the last Budget, we gave the Minister K£1.5 billion in terms of fuel levy. In the current Budget, he proposes to increase it up to K£4 billion. This would not have been bad if the little amount which was given in the last Budget was properly utilized. But to the dismay of many of us, the little amount which was given to the Minister for Finance was poorly utilized and the mwananchi is not happy. Now, I do not understand why he should be asking for more money when he is unable to manage the little funds which he was given in the last Budget. He should only ask for more money if he has properly utilized what he had been given before.

I would also like to comment on some of the issues concerning the implementation of projects in this country.

As it is, whenever we come to this House, we are told that most of the powers of planning and implementation lies with the respective District Development Committees, and that these committees pass and prioritize projects. To my dismay, the DDCs are not given their respect and the weight that they deserve. Most of the projects which are approved and prioritized by the DDC are either inadequately funded or are not funded at all. I think it is high time we took these committees more seriously and we stopped deceiving ourselves here in the House by referring hon. Members to their respective committees when these committees, in actual fact, have become toothless bulldogs.

I have quite a few examples which I could give. For instance, in my Constituency, we have the Bondo District Hospital which has been under implementation for the last five years. This project stalled three years back. In the 1993/94 Financial Year, the DDC recommended Kshs11 million for the completion of this project. In the Budget, the hospital was given only Kshs6 million and the contractor could not go back to the project because that money was not adequate for him to complete the project. The following year, the DDC recommended Kshs13 million, but they were given Kshs2 million only, which was again returned to Treasury because the contractor could not use that little money when what was required was Kshs13 million. Now, in the last financial year, the DDC recommended Kshs15 million for the completion of the project, but to my dismay, in the current Budget, this project has only been allocated Kshs1.8 million. This is again going to go back to Treasury because it appears that either the Ministry of Health or the Treasury does not take seriously the recommendations of the DDC.

I want to say that it is the Government policy - because I used to work there - that priority for implementation of projects be given to on-going projects. The second priority should be given to under-utilized projects and new projects can only be implemented after the ones which are at hand have already been completed but it appears as if this policy is not being implemented. It is not being taken seriously by the Government. New projects are coming up and yet old ones are becoming--- What do you call them?

Hon. Members: White elephants.

Dr. Oburu: They are becoming white elephants or black elephants. I think this is because it appears as if the policy of the Government with regard to planning and implementation of projects is not being adhered to. I have an example of that hospital which I have given you and we know that there are several new projects coming up including the Eldoret Airport which is a complete new project and it is also likely to become a white elephant.

Mr. Speaker, Sir, I would also like to mention something about the Ministry of Culture and Social Services. In the Budget, it appears the Government does not take this Ministry seriously. However, I would like to say that without the mobilisation of people and taking the planning and implementation of projects to the people you cannot effectively implement the development project because development means the development of the people and by ignoring the Ministry of Culture and Social Services in community mobilisation by relegating their Budget to third rate or fourth rate and by not giving them sufficient funding, we are actually turning the development of this country upside down. I think that is why Mrs. Nyiva Mwendwa, my good friend, has been given the Ministry of Culture and Social Services, maybe, because they do not value women so much because there is so little money given to her in the current Budget.

Mr. Speaker, Sir, I would also like to refer something to the Provincial Administration. The administration in our District is not giving us the necessary co-operation that we require in order to implement development projects. The administration in our area is insensitive to people's feelings; they harass people. The administration does not actually give the people an opportunity to participate properly in the development process. I have an instance in my constituency where an elderly man, who was actually the clan elder, holds a meeting with his clans men and he is the chairman of the chief's baraza and he is arrested with his elders and they are the people who are supposed to show the

people the way, the Government policy. He is arrested and thrown into custody. He stays in cells for four days in the cold without proper attention and food; then he came out and within three weeks, this old man died as a result of this negligence. This has happened and I would like to appeal to the administration in our areas to take our people more seriously.

Mr. Speaker, Sir, I would like to conclude my contribution by suggesting that the DDCs, which are given a lot of emphasis by the Government in this House, should be made legal entities. In fact, I intend to introduce a Motion in this House so that the Government gives the DDCs legal status by defining their role properly so that they can be a proper instrument of planning and implementation of development projects at the district level. Otherwise, as it of now these committees whose membership includes elected representatives whose contributions or recommendations are not given any legal exhibit because they are not like other committees in the district, for example, the District Agricultural Committee or other committees which have statutory powers, legal authority and have definition of who is a member and who is not a member. The DDCs in our areas or in the whole country have the District Commissioners sometimes deciding arbitrarily who should be a member or not. For example, in my district, you find the KANU Chairman is a member of the DDC, while a FORD(K) Chairman who has all the elected representation from the councils to Members of Parliament are not represented at all in the DDC.

Mr. Speaker, Sir, if these committees are properly regularised they would be more effective in implementing Government projects and policy.

Thank you, Mr. Speaker, Sir.

The Minister for Labour and Manpower Development (Mr. Masinde): Thank you, Mr. Speaker, Sir, for giving me this opportunity to contribute to this Motion.

Mr. Speaker Sir, I want to start by congratulating my colleague the hon. Minister for Finance, for bringing up the Budget that is fairly accommodable, if properly managed. I was particularly very impressed with the reductions he made in a number of taxation measures and the inducements he has caused in order to help the country to grow and create employment. An employment is a problem felt worldwide. It is being discussed all over. It was discussed in World Summit in March. Last week, I was in Geneva, it was being discussed at International Labour Organisation (ILO) and it has been left to each country to see how best it can create new jobs. I am happy to say that with this Budget, if strictly followed, we might begin looking around and, perhaps, being able to create a few jobs. The Government obviously has in various Sessional Papers indicated and given ways and means on how we can create the jobs.

Mr. Speaker, Sir, I want just to mention a few tax reductions that were made in the Budget. I will start off with rural electrification. This programme somehow got grounded. It is a very important programme and I am happy to note that the Minister reduced the customs duty on transformers. We have often been told that the transformers are very expensive. Now, with the reduction of duty on transformers, I think that the Ministry concerned and with the Kenya Power and Lighting Company should sit down and see how best they can distribute the cost in a more even manner in the countryside so that there is rural electrification projects started as a result of the savings from within the country. This will help the country in a number of ways. If we have electricity in all our trading centres and markets, the local people will be able to use electricity for various issues in Jua Kali form. Electricity will also be used by farmers in irrigating of their land, milking and doing many other farm jobs that would be cumbersome. Also, electricity, if supplied to schools, it will improve the studying opportunities for our students and, therefore, also improve their educational standards so that we can have well-educated manpower to man whatever few jobs that we have.

Mr. Speaker, Sir, in this respect, the cumbersome supply of electricity whereby a transformer when given even to somebody who pays for it? It becomes the property of the company. I think this should be revised so that those people who can afford to get transformers to their own enterprises and perhaps allow others to tap from there should be allowed to buy the transformers and let them own the transformers while the control of electricity can be supplied and managed by the company.

Mr. Speaker, Sir, the other issue is the taxation on the locally assembled vehicles. This taxation has also been reduced and I am happy about that because this will encourage our local people to improve on their *matatus* and other vehicles for carrying goods as well as passengers. That reduction should also cause the motor vehicle dealers to revise their prices so that they pass on some of the benefits to the buyer and, at the same time, when somebody buys a motor vehicle on higher purchase terms the higher purchase percentage should be a bit lowered because, at the moment, a minimum higher purchase

price I think is over 40 per cent. That is still excessive for the ordinary man to be in that sort of business which is very important because we need to make our people mobile. We need to make our goods whether farm goods or factory goods mobile and in that respect the motor vehicle spare parts in view of the fact that duty on the items had been

reduced. We should pass some of these benefits to the mwananchi.

Mr. Speaker, Sir, another pleasing news is that the Minister said that he was going to create specific import duty on textiles. I know some of my hon. colleagues are saying that taxation on *mitumba* will be killing the wananchi.

But I can tell them that *mitumba* has caused a lot of textile industries in this country to close down or to work at less than half the production capability. In so doing, they have been forced to lay off workers. Now, these workers are the people who earn money to give to their parents and relatives who have no jobs so as to be able to buy those *mitumba*. So, if they are going to lose their jobs, it means that eventually they will not be able to buy those *mitumba* for their parents. I am very happy that the Minister mentioned that and I think he should take immediate steps to adjust that so that even if *mitumba* is introduced here or any other textile is imported here, at least, it should be competitive with the local manufacturers.

On the other hand, the local manufacturers should also not sit back and begin thinking in terms of declaring people redundant. We still have a lot of schools which need uniforms and which are bought locally. The textile owners should be able to adjust in such a way that, at least, they maintain their workers because the production that they put forward can be bought by the local ordinary people.

Mr. Speaker, Sir, it is important that the same should also apply to the footwear because, as Minister for Labour, I am aware of the problems that the local footwear industry has undergone in this country. So, it is better that we should help it by having to encourage our local goods all round.

Mr. Speaker, Sir, I am happy that VAT percentage of taxation has been reduced drastically. But as one hon. speaker said, when VAT has been reduced, there has been an increase on fuel due to the road taxation. That might be passed on to the consumer in which case the consumer is not going to be any better. However, I would like to take the opportunity to appeal to the oil dealers that they should pass a bit of their profits to the consumers so that they do not have to drastically increase the fuel prices just because the taxation has gone up. In the same manner, this taxation on fuel has gone up to maintain our roads.

Mr. Speaker, Sir, I am sure you have noticed that, at least, every hon. Member in this House has complained about the question of roads in his area. I think that this money which is being levied from fuel should do the job for which it is levied. This should be spread and given to the DDCs to help the Ministry of Public Works and Housing to make sure that roads in the countryside are passable so that hon. Members are able to travel and see their electorates.

Mr. Speaker, Sir, on this matter, I am grateful that the Government is putting up a tarmac road between Busia via Nambale to Mumias. Unfortunately, the speed with which this road is being constructed leaves a lot to be desired. I think something should be done to speed up the work a bit more. I do not want to hear that they cannot finish the road due to lack of money.

With those few remarks, I beg to support.

Mr. Michuki: Mr. Speaker, Sir, I rise to support the Motion that, "Mr. Speaker do now leave the Chair".

As I understand it, from the traditions from which we have borrowed this Motion, it is concerned with taxation measures, but not how the money is going to be used, although we do mix the two. It is concerned about how the taxes would be raised so that the King was asked to leave the Chair so that citizens could decide how much money they should give him to run the country.

Mr. Speaker, Sir, consequently, I think, one can conclude that under that tradition, what the citizens then decided or their representatives in the House of Commons was what then became the taxation. I hope that we shall review our own attitude so that we do not just borrow the principle but not the practice.

Mr. Speaker, Sir, the measures the Minister has taken have a few items which directly concern taxation. Although he has reduced the rate of VAT from 18 per cent to 15 per cent, the fact that 15 per cent will apply to almost every consumable good is most regrettable. This is because we have now gone and touched the goods that the ordinary man - even those without employment or salaries - to expect at the end of the month will have somehow to find the money to meet that tax. To that extent, it is very, very regrettable.

[Mr. Speaker left the Chair]

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

Secondly, in the last financial year, we debated the Petroleum Levy Bill and the Minister for Public Works and Housing agreed with some of us here that the levy he then imposed, based on statistics collected from the oil companies, he would be able to raise Kshs1.8 billion towards the maintenance of roads. But he now turns round and tells us that he can only raise Kshs1 billion and he needs more than that. I think he will have to make up his mind which is which. What I suspect is that the 50 cents additional taxation on oil which is going to have effect across the

board in consumer goods on the roads - and in these days of breakdown of electricity supply - a lot of people who are moving into their own generators are going to suffer quite a lot. Therefore, from that point of view, I think, the incidence of the tax ought to have been considered more carefully than before.

The third area is the heavy imposition of licensing fees on matatus. Matatus that are now replacing the dilapidated Nyayo buses should, if anything, have been assisted with certain rebate so that they are able to carry out that very important function.

Mr. Temporary Deputy Speaker, Sir, I would now like to turn to the Financial Statement itself. It states the classes of taxes, their levels and consequently the revenue that the Minister intends to raise. Looking at the Financial Statement for the outgoing year, which the Minister tabled here last year, the Minister stated that as at 30.6.94 he would end up with a deficit of K£2.802 billion. Now, in his Financial Statement of last week the states:-

"The balance as at 30.6.94 is K£54.7 million."

Now, the period between the making of the Financial Statement and the closure of the financial year is two weeks. I have been baffled by the extent to which the Minister would have, perhaps, overestimated the deficit, which he then corrected in two weeks. This is unbelievable. I am not sure that these figures can be relied upon. The same thing applies to the development balances as at that time. Within that period of two weeks, these balances were expected to be K£290 million. I am raising this because it has something to do with the level of taxation that the Minister imposed in the current Budget. I think he should, in all fairness, clarify where these figures went wrong.

Now, looking at the way monies raised from taxation have been allocated I also find it very disappointing. Indeed, I find that the policy enunciated in the Minister's speech appears to have failed in covering the whole of this country. In certain cases, very little has been allocated for development to certain very high-revenue earning areas. Out of the K£1.9 billion only less than one per cent has been allocated to areas which produce revenue for this country.

For example, does the Minister himself know that 70 per cent of the beer that is produced in this country is consumed within Central Province, around Nyahururu and Naivasha, in Nairobi and Meru? Twenty per cent of that beer is consumed in the Rift Valley and the whole of Nyanza Province and Western Kenya while only 10 per cent of it is consumed in Coast Province. Consequently, the area which consumes 70 per cent of the beer raises for this Government Kshs18 billion a year. Yet, the areas that provide this tax appear to have been sidelined, maybe because they are in the Opposition. If that is the case, then obviously, this Government is not for all wananchi of this country, as hon. Shikuku was saying. It has sectionalised development! It has failed to recognise, and reward for, what it has been given by the citizens of this country. Seventy per cent of Kshs18 billion is a lot of money in any language, be it Kikamba or Kikuyu!

The Assistant Minister for Education (Mr. Komora): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Member in order to mislead this House and the nation by implying that revenue earned in any place must go back to the same place? Shall we assume that revenue from the ports should be retained in the Coast Province?

Mr. Michuki: Mr. Temporary Deputy Speaker, Sir, we had an argument here about revenue from national parks, which was divided right here by regions. The hon. Member should be aware of that!

Prof. Anyang'-Nyong'o: Thank you very much, Mr. Temporary Deputy Speaker, Sir. This Budget has been hailed as "being good", I think really because of four points. One, because it says that there is a high growth rate of 5 per cent per annum of gross domestic product; two, because it says that inflation is going to be lowered to single digit proportions; three, because it promises an increase in gross fixed capital formation; and finally because it promises increases in domestic savings. But if you look at the arguments the Minister uses to justify these four points in the Budget you will see that he merely uses percentages. These figures look impressive. However, if these percentages were to be expressed in real terms they would be very small. You know that in 1992/93, we had negative growth rate. So, if you come from minus one to one that is a 100 per cent increase, but it is really not much. So, I would say that while people are superficially lauding this Budget as "great", the real figures in terms of economic performance are, to me, lamentable. I will go ahead and illustrate why they are lamentable. In order to achieve an impressive growth rate, seen against where we are coming from, we need 9 to 10 per cent annual rate of growth so as to have by the year 2000 an impressive per capita income. At the moment, our per capita income is only \$310, compared to South Africa where it is \$2,670 and to Zimbabwe where it is \$570. Were we to have a rate of growth of 8 per cent between now and the year 2000, we shall achieve a figure of \$406 per capita income, which will still be lower than the current situation in Zimbabwe.

So, saying that we have 5 per cent rate of gross domestic product is nonsensical. It is really not going to help us to, even, surpass Zimbabwe by the year 2000. We need a much higher annual rate of growth to perform impressively between now and the year 2000. We did it in the 60s and 70s and there is really no reason why we cannot do it now, were it not for the poor management of the economy by this Government.

Secondly, the Minister spoke laudably about savings, but we should ask ourselves where our savings are coming from; what the relationship is between salaries and the real cost of living today and what is being done with money realised from the compulsory saving schemes like the NSSF and NHIF. The real saving in this nation is not what an individual saves after paying for his Kimbo, omo, bread and so on from his wages, but what he saves through the compulsory schemes like the NHIF and the NSSF. That is where the real saving is.

Now, if you look at the real income of people, they cannot make it. They cannot save from their wages, period. If somebody is saving from the Government, let him tell us that, but I know that among the wage earners in this country, and I am included, nobody is saving. The only source of saving is from the compulsory savings schemes and that is where gross capital formation should be realised in this nation. We know, for example, that Kshs2 billion has been realised from the privatization programme by the ICDC, IDB and other government financial institutions. That Kshs2 billion should be used as venture capital for Kenyans to use for investment for domestic capital formation. That would have been an innovative thing in the Budget, if indeed, the Government ventured into the idea of having a venture capital scheme, from both the privatization programme, the money that former government bodies like IDB and ICDC are getting and also from the compulsory savings schemes, then, indeed, in a situation where inflation is cheating, we could find a source of domestic savings for domestic capital formation.

Mr. Temporary Deputy Speaker, Sir, I will go further and say that the efforts by the Minister to tell us that the Budget is innovative by introducing a mortgage scheme whereby, an individual will be given a leeway of Kshs30,000 for over a ten-year period to buy a house, is nonsensical. Who can buy a house today for Kshs300,000 in Nairobi, especially if it is spread over a ten year period, given the loss of value of the Shilling and the inflation that is likely to occur eventually? This, again, goes back to the issue of using the compulsory savings scheme for establishing mortgage systems in this country, which is much more realistic. I have, on many occasions, said in this House that the NSSF and the NHIF should establish mortgage schemes for workers which will be much more realistic. This has been successfully done in Singapore and Malaysia and, therefore, there is no reason why it cannot be done in Kenya.

Mr. Temporary Deputy Speaker, Sir, I cannot really see the extent to which this Budget is great when it says very little about the interest rates. We know for certain that the real interest rate is between 23 per cent and 30 per cent. Anybody who is going to borrow money for less than 23 per cent is very lucky. This is too high! An economy that is performing well is identified by low interest rates. If, indeed, the interest rates, which range from 23 to 30 per cent, are above the VAT, which is now 15 per cent, then we are not talking about an economy which is performing very well. I think that the Government should think very seriously about a way to bring down these interest rates so that people can borrow money. It is when the banks are lending money and people are using this money for economic activities that there is a healthy economy. At the moment, because of high interest rates, people are borrowing very little money to build or to do other things and, hence, the economy is static. That is why, perhaps, the Kenya Shilling has been stable. If the economy was not static, the Kenya Shilling would move because there would be demand for hard currency at certain periods, no demand for hard currency at another period, then you see that there is economic activity. But if you see the Shilling stabilising at 50 per cent for a long time, then that indicates that there is no economic activity. Really, when you ask them what we are exporting, they may not be able to tell you because there is very little in the export market. I was looking at the figures of those Estimates and I was asking: Where is the revenue going to come from export duty? For example, on page two, you will see that they cannot even estimate what will be realised from export duty in 1995/96, precisely because they do not know how much they are going to export in 1995/96. All other estimates are there, but when it comes to export duty, there is nothing. Therefore, I think we are being hoodwinked that the economy is doing well, when the export market is doing very poorly. As a result, we are earning very little foreign exchange from our exports. Whatever we are earning in terms of foreign exchange is from Kenya Airways and a little here and there from tourism. If you ask me what we have been exporting in absolute terms which has gone up in the last one year, I would be hard put to get it either from this document or from the Ministers' Budget Speech.

Mr. Temporary Deputy Speaker Sir, I want to come to a final issue. The real reason why this economy is not doing well and why whatever we write in the Budget is not going to make a difference is because we have poor economic policies. We have bureaucratic red tape in our Government. We still have corruption. There is still mismanagement of the economy and there is a very hostile political climate in the country. If you ask investors why they are not investing, they will tell you; "well, the political climate is hostile, we do not know the future, we cannot predict what is going to happen, we cannot determine what will happen in 1997 because these people cannot even agree on what type of Constitution they should have". Therefore, you do not expect any capitalist who expects some predictability in policy-making to bring his money here. It is the political management of this economy which is the first and most important item on the agenda to ensure that there is more investment in this country. If there is no proper political management of the economy, then you will realise that we will make decisions like those we have made already. For example, this Government has decided that Kenyatta International Conference Centre (KICC) will

build a five or seven star hotel and that, one room in that hotel will cost us \$390,000 on the average, whereas the international average for a room in whatever star hotel is \$150,000. That difference between 390 and 150 is enormous and it is only accounted for by kick-backs and corruption. Definitely, that kind of decision to expand the KICC and to build a hotel there costing the earth is definitely going to ruin this economy.

Mr. Temporary Deputy Speaker, Sir, there is the issue of Eldoret International Airport. The other day, my friend, the Minister for Finance, tried to explain what is going to happen. He made matters worse. Let me read from the *Economic Intelligence Unit* which says:-

"The Finance Minister, Wycliffe Mudavadi, sought to calm disquiet over the Government expenditure of \$84 million to plan the Eldoret International Airport, and this kind of financial brokerage associated with the expenditure puts the people of Kenya even in more jeopardy".

It is that kind of decision which will put this economy into ruin in spite of whatever is said in the Budget.

Dr. Lwali-Oyondi: Thank you, Mr. Temporary Deputy Speaker, Sir. As it has been said, the Budget has been praised as having been good. For sure, the Minister has been trying to make things good, but the question is: "Is the atmosphere or the medium in which he is operating the correct one?" The answer is "no". We might put down all sorts of things but when the atmosphere or the medium in which the operation is being done is wrong, nothing will be fulfilled more than what is written down.

There is a lot to be commented on this, but I will straightaway go to the question of Civil Service Reform Programme which has been mentioned in there. This is one of the programmes that should be looked at very seriously because, in its operation, we are going to have a lot of able-bodied citizens of this country and various technocrats leaving the Government with the hope of fending for themselves. Arguably, it is quite good in that we shall put a relief on the money that is being spent on paying taxes and the returns being very little. But how is this programme going to be implemented? Many members of the Civil Service and various parastatals have already applied for the so called "golden hand-shake". To their amazement, they have been receiving, if at all, less than what they expected. For example, it was estimated that the lowest persons like office messengers and watchmen, would get something like Kshs100,000 plus other benefits like the normal benefits at the end of the service, but to their amazement, many of them got less than Kshs60,000. Workers are now asking; where is the Kshs40,000 going to? Who is keeping it? Who is having it? The money has been given by the World Bank to be given to the people so that we have this Civil Service Reform Programme effected. It is not the Kenya Government money. Where is the Kshs40,000 being taken to? Who is pinching it?

Mr. Temporary Deputy Speaker, Sir, how do they expect somebody to start a business and live on Kshs60,000 considering that he has never done any business since he was born? So, the Government should see to it that in effecting this Civil Service Reform Programme, all the money that should be given to a particular civil servant, is more than Kshs100,000, plus gratuity *et cetera*. And if possible, once this particular person has started his business, he should be given his NSSF dues for propping up his business.

Some of these people have started or are trying to start businesses in various towns. However, to their amazement, they get their licences for setting up kiosks. However, with Kshs100,000 one can only set up a small kiosk. These people sometimes end up having their kiosks destroyed. There is a very hostile move in Nakuru. Several wananchi have told us that they have to put up their kiosks behind Oginga Odinga street. They did that, but to their amazement, the DC and his company woke up at night and destroyed all those kiosks. What are we aiming at? It would appear that the Government is just aiming at its own survival. The whole thing about the existence of this KANU Government is aiming at its own survival which is to be attained at any cost. For example, when we were having by-election for a civil seat in Molo, they had snatched it from one, Mr. G.G. Njuguna, who is in custody with Wamwere. Everybody, including the Ministers, even the President himself was there and we were not allowed even to hold a meeting. They told us that we had to get licences. When we went for the licences, we could not be given any for the whole period that the campaigns were on. We were forced to go on foot from house to house. Whenever they found us addressing the people, they clubbed us. They hit the hon. Member for Molo, Mr. Njenga Mungai with a stick on the head and he still has a mark up to now. But anyway, in the end, we defeated them. They only got 120 votes against our 824!

(Applause)

Mr. Temporary Deputy Speaker, Sir, despite all that, that can show that the people now know exactly what the Government is doing and all that they are trying to do by giving out money will not help them. This is not the sort of atmosphere that will lead to investment as it has just been pointed out. So, it is not a question of people just surviving.

Mr. Temporary Deputy Speaker, Sir, going back to what I was saying, the civil servants who are retiring

should be given Kshs100,000 or more. The Kenya Railways Corporation is now given only Kshs40,000. Where is the Kshs60,000 going to?

Many people have left the Kenya Posts and Telecommunications Corporation, but to our amazement, in Nakuru, more people are being recruited from a certain ethnic group only so that the whole exercise comes to nothing because people are forced to leave the Posts and Telecommunications Corporation employment so that we have a manageable staff, but when these people leave, even more are employed. This we can prove by giving an example of the Post office at Nakuru. I do not know what is happening in other parts of the country, but those who are being employed there are from one ethnic group.

Mr. Temporary Deputy Speaker, Sir, it is good to note that the Minister has said that he is going to increase the pensions and I was very shocked to read that the lowest paid pensioner gets Kshs100 per month! Honestly, how would he travel to Nakuru, Nairobi, Kisumu or Kakamega just to go and collect Kshs100? In 1965 or 1970, that was some money, but today, it is nothing. The Minister himself has said that the lowest pensioner gets Kshs100 and that now he is going to raise to Kshs500 a month. We should honestly ask the Minister to raise it to Kshs1,000. It costs Kshs500 to come from Nakuru to Nairobi. So, if you are coming to earn your Kshs100 or your Kshs500, how would you spend Kshs500 to come and earn Kshs500? At the same time, as you go to the pension office, you have to pay some bribes. Some pensioners have died before getting their pensions, because they have waited for too long. The same thing applies to the NSSF because it also takes too long to pay the pensioners. I would suggest, very seriously that due to inflation, the Kshs500 be raised by the Minister because it is still too little. This pension should be adjusted to Kshs1,000 so that the poor pensioner can, at least, the Minister having increased the price of petrol and the *matatu* fares having gone up, at least he can pay for his fare and get his little pension and go back to his home with a piece of meat during that particular month.

Mr. Temporary Deputy Speaker, Sir, the housing problem is becoming very critical, particularly for the Civil Service. Just yesterday I received information that Asians are now giving notices to civil servants to leave their premises in Nakuru. The Government does not even have the courtesy of telling the civil servants that their houses have been sold. Now the Asians themselves are the ones who are ordering the civil servants out. That is quite out of order.

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

The Assistant Minister for Commerce and Industry (Mr. Osogo): Mr. Temporary Deputy Speaker, Sir, while I join my other colleagues who have spoken in congratulating the Minister for Finance for the Budget he produced, I stand up a very sad man having read the printed Estimates, particularly the Development Volumes. I see in those volumes nothing completely for Busia district at all, which is a KANU stronghold.

The best part of the Budget, as it is, is the effort the Minister made in trying to raise revenue locally. He has reduced our reliance on foreign aid or on begging all the time. I hope that next time, he will go further. But that is the best part of this Budget that the Minister is looking for finances to finance Kenyan development locally and that he has designed ways and means of raising money to do that.

Mr. Temporary Deputy Speaker, Sir, looking at the Vote of the Ministry of Agriculture, Livestock Development and Marketing, one notices that a considerable amount of money has been allocated to what they refer to as "professional services." A lot of money has been allocated for professional services. I hope that when the time comes for us to discuss that Vote, the Minister will explain what they mean by "professional services and training expenses." These two items have been allocated more money than the irrigation we have been crying for in this House. Irrigation is the only remedy for this country. There is plenty of water in Kenya which can save us from importing food.

As regards the Ministry of Public Works and Housing, I can see the only road in Busia - Bunyala-Sio Port-Funyula - has been allocated only K£35,000. What can that amount of money do? It cannot even construct two kilometres of an all-weather road. Whether this is meant to bluff us, I do not know. But I am very disappointed to find that a road that was surveyed for possible tarmacking is being allocated, in the Printed Estimates, only K£35,000.

Mr. Temporary Deputy Speaker, Sir, I am further disappointed to see that under Sub-Head 700 millions and millions of Kenya pounds have been allocated. But when you look at Sub-Heads 910, 920, 930, 940 and 950 which relate to Western Province, you will find that the amounts of money allocated under those Sub-Heads are minimal. These are public documents which are going to be read by our voters. They will ask "If we are said to be a KANU stronghold, what then is happening?" They do ask questions and we find it difficult to give explanations. We will further find it more difficult to explain as this is nearly the last financial year before the crucial time. I speak here as a very disappointed man.

With regard to the Rural Access Roads Programme, I notice here that Busia District has been given only K£200,000 for rural access roads. This is an area that produces fish for export. The Bunyala-Sio Port-Funyula Road

has a lot of traffic; it is used to transport fish from the Lake to Nairobi for processing for overseas markets. That road is not being considered. We were told here that the revenue earned from fish exports is approaching the money earned from coffee exports and other agricultural products, yet our road which conveys this perishable product to the markets is not being considered. If a vehicle transporting fish breaks down on the way all the fish goes to waste.

Mr. Temporary Deputy Speaker, Sir, Sub-Head 20, the Lake Basin Development Authority, is another disappointment. When you compare what has been allocated to LBDA with what has been allocated to Kerio Valley Development Authority, one wonders why the LBDA which covers an area with more potential is given meagre funds. These funds are only for salaries. This is very disappointing. The LBDA is an Authority that could develop irrigation schemes in those areas; where water is plentiful but where rain is very little. I am worried about the planning by our Government.

Recently, in the Supplementary Estimates, we approved K£1.2 million for the repair of the flood dykes. That money has not even been taken to Bunyala; where dykes have broken down and floods are threatening the population. But when you look at the Printed Estimates, you will find that the provision is only K£200,000. This is not for Bunyala alone; it is for the whole country. Whether that will reach Bunyala or not, I do not know.

Mr. Temporary Deputy Speaker, Sir, the Yala Swamp Project has been in the books since 1976. Since that time, we have been dealing with Phase 1B. When shall we go to Phase Two? The money that is allocated every year is K£200,000 and it is never spent. So, we have to be told where this money goes to.

The rain-fed rice project is being allocated K£4.2 million in the Estimates. I do hope that, that money can come and at least develop the rain-fed rice project in Busia District and other parts of Nyanza Province. I know for certain that Teso has got a lot of potential for rain-fed rice growing. I do hope that this money is going to come. But looking at Bunyala Irrigation Scheme, it has been there since the time I started in 1964 when I was the Assistant Minister for Agriculture. Since that time, that scheme has never been expanded at all. It is sad to see that in 1995/96 financial year, that scheme is being allocated only K£40,000. When will it be expanded?

Mr. Temporary Deputy Speaker, Sir, before I sit down, I would like to say something about Non-Governmental Organizations (NGOs). We are depending on foreign NGOs. Kenyans are trying to start local NGOs. Kenyans are appealing to financial institutions and rich companies in Kenya, like the oil companies and banks, to finance these local NGOs so that they can help the underprivileged people in this country. But you will find that the responses we are getting from these companies are all negative. Even the International Casino which has been looting a lot of money from Kenya and taking it overseas has refused to assist. They have replied that they do not have even Kshs1,000 to give to a local NGO. Even the Safari Park Hotel, where we are always spending Government money on conferences, says it does not have even Kshs10 to give to a local NGO. If this is the trend, then the Minister for Finance must do something to try and urge Kenyans to assist local NGOs, otherwise we will continue going to foreigners with baskets to borrow money from them. In fact, foreigners have already started laughing at us. It is not only Kenya that they are laughing at. You can see what is happening in neighbouring countries. Recently, the United Nations, which was started for settling conflicts, ran away from Somalia. What do we hope to get from foreigners? About 20 million Kenyans are depending on six million Danes to assist them. This is very sad and we are going to remain beggars forever if we do not plan properly.

Mr. Mak'Onyango: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to this important Motion.

Mr. Temporary Deputy Speaker, Sir, I would like to begin by saying that Kenya is an agricultural country. Since we are an agricultural country, efforts should be made to bolster the agricultural sector. To my surprise, instead of this Budget really giving the necessary support to the sector so that we can be able to promote the farming in this country effectively, the Budget has only succeeded in reintroducing the Presumptive Tax on farm produce. This, to me, is harmful and is going to have disastrous effects on the farming community in this country.

Mr. Temporary Deputy Speaker, Sir, the Budget is all about taxation and I think what we need to do in our Budget is to make sure that instead of overtaxing our farmers, we give them the necessary incentives so that they can produce more to earn this country more in terms of foreign exchange and the like. When you end up overtaxing them, we are discouraging them, and in the process, we are doing what amounts to killing the goose that lays the golden eggs.

So, I think, instead of reintroducing this Presumptive Tax, the Minister should have found ways and means of further encouraging the farmers to produce more by increasing the incentives.

Mr. Temporary Deputy Speaker, Sir, I am also concerned with the un-banning of importation of maize, sugar, wheat, milk and other farm produce. This again will only go towards undermining the agricultural sector in this country instead of promoting it. The situation is already bad enough because, take a look at, say, the cotton industry. The cotton industry in this country is as good as dead, and this is because of lack of the necessary support to make the cotton farmer grow more cotton as well as, of course, the pricing that has gone with it, has been most discouraging.

The result has been that the industry is as good as dead. Instead of promoting the industry, we are further killing it.

Mr. Temporary Deputy Speaker, Sir, the importation of sugar, I think, is already well documented, that this particular industry is already threatened. Again, one would have thought that the best we needed to do at this particular moment in time was to come up with measures that would help strengthen some of the well-established industries, like the sugar industry, which contributes enormously towards economic well-being of this country in terms of employment and other tax generating aspects of this particular sector. What has happened is that with the more sugar being imported, I think one can only see a situation in which there is going to be total collapse of the sugar industry, and that Kenya is going to be the worst country off with the collapse of sugar industry. So, I would have liked to see more duty and the like levied on imported agricultural produce. By the end of the day, I am tempted to get the view that this was more a Budget for the forthcoming Paris talks, and this to me is unfortunate because we are pegging the interests of this country on the interests of outsiders of all other interests, other than the interests of our very people. I think this is a bit unfortunate that we should be doing this particular thing at this particular moment in time.

Mr. Temporary Deputy Speaker, Sir, still on agriculture, I am concerned again that a lot of the development that takes place is not people based. I have in mind the Yala Swamp that hon. Osogo has just talked about, because that to me, is one project that has great potential which, if properly supported, stands to enhance the economy of this country. Unfortunately, that project is not people based. It is institution based. It is the Lake Basin Development Authority that benefits from that project because it is the authority that grows what is grown there; the potatoes, bananas, oranges, mangoes and all these other things. What we require is that we should be having the local people producing these products and selling them so that there is direct benefit. As things stand now, the local people are mere passive observers of development. This does not auger well for the future of this country, and I think something needs to be done to improve this kind of situation.

Mr. Temporary Deputy Speaker, Sir, I also want to talk a bit about what has been provided for towards poverty alleviation. A lot of money is provided for this particular requirement, but this is one area that is going to be very, very difficult for the poor man who really needs to benefit from this particular facility. We do need some level of transparency in the way the Government carries out some of its projects, because, too often, we have a situation where large or colossal of money are provided in the name of the poor when at the end of the day it is the very rich, it is the millionaires who end up benefiting at the expense of the poor man. So, one would like to see an arrangement under which the money that is going to be provided for, under this poverty alleviation programme, is put under the supervision of the local authorities so that each local authority is told that "For this particular year, you are going to have so much under this particular programme" so that the local people, the Councillors and others can directly participate in the distribution and use of this particular facility.

Mr. Temporary Deputy Speaker, Sir, as I said, all the Budget is about taxation. The common man in Kenya is the taxpayer, but the question is, to what extent do they really benefit? This country collects billions and billions of shillings every year, but how much of it really gets to the common man? I have in mind some of the projects that directly stand to benefit the people, like the molasses plant in Kisumu which remains a white elephant to this very day. This, to me, is the kind of project which, if implemented, more people would be able to grow sugarcane and be able to directly benefit from this kind of project, especially given that the sugar factories are kind of dwindling. This kind of project stands to benefit the common man that will have his or her sugar here and there. So, as legislators, we are overly embarrassed if from time to time we are being asked, "Okey, you have passed money in Parliament for the development. What happened? Why have you not done something about certain projects like this particular project". So, one really wonders when the government is ever going to come up with the necessary allocations to complete this project?

Mr. Temporary Deputy Speaker, Sir, we are supposed to be thinking people. If this project is not viable economically, as a molasses plant, I am sure it can always be converted into something else. So, how long is it going to take this country to come up with an alternative plan to use such facilities as the Kisumu molasses plant in which the Government sunk a great deal of funds? So, instead of these things going to waste, I would like to see the Government come up with alternative arrangement to put them to use.

Mr. Temporary Deputy Speaker, Sir, I would also like to address myself to the question of the Local Authorities and the District Development Committees (DDCs). As one or two of my colleagues already observed, the so-called District Focus for Rural Development strategy, I think, time has come for us to scrap off the DDCs and in their place empower the various county councils to undertake the duties that are currently assigned to the DDCs.

The Assistant Minister for Research, Technical Training and Technology (Mr. Kagwima): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to also join my colleagues in contributing to this important Motion.

Firstly, I would like to start by commending the Minister for Finance for the well-balanced Budget that he

presented to this House on the 15th June, 1995. In that Budget, the Minister was able to spell out the Government policy on financing, collecting revenue and on the management of finance by the Government. What is left which is also very important is for the implementors, those charged with the responsibilities of spending the money and ensuring that the policy is implemented, to do their work. I want to appeal to them to ensure that they do what the policy says. Those that are not seen to implement that policy should be dealt with severely, irrespective of where they come from. I want to go very quickly to a number of items that I consider important.

One of them is communications and in this I want to be specific by talking about roads. In this country, we have a problem with roads. Well, I want to say that the Minister for Finance, in conjunction with the Minister for Public Works and Housing, has been trying to raise money from the public so that they can finance maintenance of our roads. To date, the conditions of our roads are very bad. They are so bad that we have agricultural produce being wasted in the rural areas. What we are saying is that, that is going to affect our economy because agriculture is an important sector in our economy. Those that are charged with responsibility of maintaining roads or designing new ones and ensuring that they are constructed should know that they are paid by the funds raised from wananchi and they should serve them without demanding much more money from them. I want to look at the District Tender Boards where some of the money is channelled through for the maintenance of roads. You will find that there we may have an engineer who looks at his brother irrespective of his profession and decides to give him a contract of a project of road repair or murraming it. What the engineer ends up doing is to take the money and share it with the contractor leaving the road unattended. Those are the people I am asking to ensure that they do what they are charged to do rather than look at what they are going to get from the money that Treasury sends to the districts. I want to ask those in charge of the District Development Committees and district tender boards to ensure that the local community in those areas where the DDCs are situated benefit from the money that is sent there. Where we have qualified contractors to build houses, construct roads and bridges *et cetera*, local contractors should be given priority so that the national cake is properly spread equitably for the benefit of all Kenyans.

Before I exhaust that point on roads and agriculture I also want to appeal to the Ministry of Agriculture, Livestock Development and Marketing. I know that the Minister has been trying to let the Kenyans know what is happening, to look into cotton farming. There is one area which involves cotton growing which is causing a lot of concern to the farmers. I know in the name of liberalization, cotton has been left in the hands of private people. Some of the unscrupulous businessmen are now using the name of liberalization to exploit farmers. I want to request the Ministry to look afresh to see how they can safeguard farmers so that they are not exploited. I know the Government ceiling, the bottom price of cotton is supposed to be Kshs16 a kilogramme but some private ginnery co-operators are paying as low as Kshs15 per one kilogramme. I thought that since that price is gazetted those private operators are also breaking the law. Therefore, they should be arrested and punished for going against what the Government has gazetted. If anything I expect them to pay Kshs17 or more for one kilogramme so that the farmers can grow more cotton and so that their ginneries can continue running otherwise, when they will kill cotton farming without knowing that they are also killing their ginneries.

With regard to the health sector, I remember sometime ago, His Excellency, the President mentioned that doctors should be sent to health centres. Health centres are situated where most of the population is concentrated in the country. I would like at this point in time support that idea that doctors be posted to health centres. Let us have enough doctors in hospitals but remember that health centres also require services of the doctors. They should not view this move as demotion because they are employed to serve wananchi. They should take the postings as soon as they come.

Mr. Temporary Deputy Speaker, Sir, moving on to security, I come from one of those areas that is affected by banditry. I want to appreciate the effort put by the Government to contain the menace by the bandits and especially along the Meru National Park. I appreciate the fact that we have been given homeguards, that a few camps have been started, but what I want to ask those in charge of internal security is to be a little more creative than they have been so far. Instead of waiting for shiftas and bandits to attack and we are in hot pursuit and then they take over, why do they not look for preventive measures? They can look for ways and methods of stopping the bandits from attacking rather than wait until we have been attacked and then the soldiers are in hot pursuit of those bandits. That does not help. Let us do like the medical personnel, like people in the technical world who talk of "preventive maintenance". I am asking for preventive measures regarding security, especially along Meru National Park because the people I represent have lost many livestock. Since those animals are not insured, we need to do something. All we do is to tell them, "pole, we are following the animals". That is not enough. So, I am asking those in charge of internal security to ensure that there are preventive measures to ensure that bandits do not attack or they put measures that can detect them before they attack.

Mr. Temporary Deputy Speaker, Sir, finally, I am asking that the farmers, those people whose animals have been lost, be compensated by the Government. The Government will do them good if they look for a way of looking

for funds to compensate them so that they can continue living because a number of them have school children and are now not able to pay school fees for those children because they depend on animals. I am asking the Government to say whether it can look for ways of compensating the farmers that lost their animals. Some of them actually lost crops therefore, leaving them without food. I am happy that the Government is giving food relief.

Mr. Temporary Deputy Speaker, Sir, the bursaries have gone along way to assist students from poor families.

What we are asking is that these bursary funds be distributed at the divisions levels, rather than going to the District Education Officer. I am requesting that the money go to the District Officer so that the Sub-District Development Committee, together with the leaders in that division, can sit down and distribute the funds according to the needs of the students.

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

Mr. Ndicho: Thank you very much, Mr. Temporary Deputy Speaker, Sir. I wish also to say something on this Budget. First of all, I want to recall words of His Excellency the President on Madaraka Day when he complained that the people who are giving him the biggest headache now are not the Opposition on this side but civil servants. I am in total agreement with the President's sentiments because, if you look at the whole Government's structure, it is the top civil servants who are frustrating efforts to develop this country.

Mr. Temporary Deputy Speaker, Sir, if you go to the medical departments in hospitals, the Ministry of Health is being given money by this Parliament and instead of the money given to buy drugs reaching the common mwananchi, it is the Medical Officers of Health who are responsible in stealing the drugs and selling them in private clinics. This is increasing the Government's Budget deficit and this is why the Kenya Government looks as if it is broke all the time. The Ministry of Education is the same. There is hue and cry over the Ministry of Education because of lack of equipment in many schools, yet this Parliament allocates funds to the Ministry and then one wonders where that money goes to. It is usually not the Members of the Opposition who are responsible for such acts but, it is some people in the Government and the Civil Service who are the culprits. Surely you do not expect the President to be a supervisor that, for every single cent approved here in this House, he will be in Thika District Hospital supervising how drugs will be administered to the patients.

The Temporary Deputy Speaker (Mr. Ndotto): Order! Order hon Ndicho!

The Minister for Health (Mr. Angatia): Mr. Temporary Deputy Speaker, Sir, my point of order is that the hon. Member may not well be informed that Opposition Members are not limited to the Opposition Parties in this House, but they are also within the Civil Service itself. So, they are their Members who are doing the harm on the other side.

(Applause)

They hear what the political leaders are saying then they go and do it in the Government.

Mr. Ndicho: Thank you very much, Mr. Temporary Deputy Speaker, Sir, for the Minister to observe that. All I am saying is, if anybody is caught stealing drugs or any Government store, be he from the Opposition or from KANU, he should be sacked on the spot, irrespective of his party affiliation. This is what we are saying and this is what the President talked about on Madaraka Day.

The other point, Mr. Temporary Deputy Speaker, Sir, I would like to talk about is that this Budget, for the first time, has not addressed the farmers. For many years, I have been going through the Budget proposals even when I was not elected, but this is the first Budget where the Minister for Finance has not talked about the agricultural sector.

It is completely quiet as far as this sector, which is the backbone of this country's economy, is concerned. This Minister for Finance talked nothing about it and the farmers in this country need some protection from the Government. I was so surprised to read that the Minister lifted ban on maize, sugar and milk importations, yet the farmers in this country can produce enough for local consumption as well as for export.

Mr. Temporary Deputy Speaker, Sir, I quite agree that we have now a liberalised economy and these things can be imported from abroad, but I think the Government of the United States of America will never import maize, sugar or milk from Kenya, if they can be able to produce enough for the Americans and for export. So, this is a Budget that left farmers completely wondering as to what is happening.

The other point Mr. Temporary Deputy Speaker, Sir, is that: The Minister, in his opening speech, complained that the petroleum companies refused to lower the petroleum prices when the dollar and the hard currencies were low. They refused completely despite the fact that Permanent Secretary, Ministry of Energy, has always pleaded with them to do so. We applaud the Minister for that, but at the end of his speech, he contradicted himself on that particular point because he added 50 cents for every litre of petrol purchased by every motorist and any person who is buying paraffin at petrol stations. Kenyans would have not complained if the Government receives all the taxes for the road maintenance levy and tarmac the roads or restructure them. They would have no quarrel provided that money is taken

back to them in form of services. What we are asking is: where does the Government take this money? We are told that there should be no taxation without representation and so we take it that the Government should repay the people by making sure that all the taxes collected from them are returned to them through services.

There is a road, traversing my Constituency from Muthaiga to Thika. I am sure this is the road that you use when going to your home area and this road was re-carpeted up to Gatundu road junction and the Minister for Public and Housing could not explain why it was stopped half-way. So, it is the concern of the people of Juja Constituency, and also the people who use that road to the north, to see to it that road is connected with the other one at Blue Post Hotel. If that is done then people will enjoy and feel good.

Mr. Temporary Deputy Speaker, Sir, if I may go back to my Constituency, we have got 502 hawkers who have been displaced and whose structures were destroyed by Thika Municipal Council a month ago. I have been trying to look and check what is the annual turnover of the hawkers in Thika Municipal Council who are now not doing any business. I was informed that over 500 hawkers have a turnover of over Kshs50 million of business that they conduct there, but the Thika Municipal Council destroyed their structures. The hawkers went to court, the court gave a court order which I have here with me. The court order that compelled Thika Municipal Council and the Thika District Commissioner to allocate these hawkers some area to do their business is in my possession, but that order has been ignored.

Mr. Temporary Speaker, Sir, so, they are wondering about the application of the law. If it was somebody given an order by law and refused to obey, by this time he would have been in jail for contempt of court. So, we are wondering and I take the opportunity to ask in this Parliament why that was not followed.

I would like to thank the Minister for Local Government because he has been helpful to the people of Thika. If it were not for him the Thika Municipal Council could not have been there. All the plots would have gone. I appeal through this Parliament that those hawkers should be reinstated. Because the DC was told by the PC to reinstate those hawkers and he refused, I now take this opportunity to appeal to His Excellency the President Daniel arap Moi to help those people to be settled on Moi Gardens in Thika which is the bone of contention. This Garden has now been grabbed by 20 people who have displaced 500 hawkers! They have grabbed 97 plots.

I now request the President to come in and make sure that the 500 hawkers get this area. I am sure if the President helps these 500 people and come 1997, even if hon. Ndicho comes and says that Moi is bad, you cannot convince those 500 people that Moi is bad since he helped them get back their plots. So, this is why I take the opportunity to appeal to him. These people are in the informal sector but they are also helping the economy of this country through macro business that they do. So, it is my earnest appeal and request that the President comes to our aid.

With those few remarks, Sir, I beg to support.

Mr. Ruhiu: Thank you, Mr. Temporary Deputy Speaker, Sir.

An Hon. Member: Take a stool!

Mr. Ruhiu: I rise - without a stool - to support the Budget. I think, for the first time after many years, the Budget has been fair. I think there are certain salient features of the Budget that I would like to mention.

One of them is import duty imposed on *mitumba* (second-hand clothes). It is a fact that *mitumba* are bought by the very poor of this nation, especially the Kikuyus and the Luos, for the simple reason that they form the bulk of the poor on the land. This is because they have been so long marginalised by the KANU Government that it was deliberate for this Budget to impose that duty so that this section of the community can be penalised. I request the Minister for Finance to look into the question of import duty for *mitumba* since we need it for the poor. It is my opinion that the duty imposed was not meant to support the textile industry in this country and to support the Asian businessman because they are the people who support this Government. Without that support, the Government cannot be able to support itself.

Mr. Temporary Deputy Speaker, Sir, if I come to the question of growth rate from 3 to 4 per cent, it is true that this growth has come about because there has been less economic plunders and sabotage by the KANU Government. This is why we have had this growth rate of 4 per cent.

Mr. Temporary Deputy Speaker, Sir, I would like to mention and urge the KANU Government to ensure that they have their economic priorities right. For instance, if you look at the so-called Eldoret Airport, it is not really economically viable that we should start constructing another airport when the airport within my Constituency - Embakasi Airport - is crumbling down. The services are very bad, toilets are dilapidated, the paint on the wall is peeling off and, at the same time, this is supposed to be the gateway for tourists in this country. It would have been proper to ensure that Moi International Airport, Mombasa, and Embakasi or Jomo Kenyatta International Airport, Nairobi, are refurbished with that money which was taken to Eldoret. When I think about it - and my dear colleagues seem to be heckling me may be because the airport is in their area - I do not see what is economically viable about that airport other than "air-freighting goats for the auction and, at the same time, air-freighting cow dung to fertilize the

most arid areas of Kenya".

(Laughter)

That is the only use for this airport and it is a very misplaced priority for this country!

Dr. Wako: On a point of order, Mr. Temporary Deputy Speaker, Sir. Hon. Ruhiu is using the words that people from Eldoret are "air-freighting cow dung" which I do not think is true. The fact is that Eldoret Airport is well known and, therefore, he should withdraw the allegation.

The Temporary Deputy Speaker (Mr. Ndotto): Order! That is not a point of order. Proceed, hon. Ruhiu!

Mr. Ruhiu: Mr. Temporary Deputy Speaker, Sir, I should be respected for my opinion. The hon. Member may have his opinion about the Eldoret Airport, but mine is that "other than air-freighting cow dung to fertilize the most semi-arid areas of Kenya" that airport has no other use!

(Laughter)

Mr. Temporary Deputy Speaker, Sir, when we come to African businessmen - the indigenous citizens - it is only right and proper that this Government should look at the indigenous African businessmen in this country, to ensure that they are given soft loans to put into their businesses so that they can grow.

It is also true that corruption is rife in this country. It has permeated from the top officials of this Government to the lowest cadre of the civil servants. I think and hope that this Budget which is giving a lot of leeway, for instance, to the new Kenya Revenue Authority to collect money. It will be motivated more and collect more money and I hope that this money will not end up into the pockets of corrupt Government officers and Ministers who are responsible to various Ministries.

Mr. Temporary Deputy Speaker, Sir, I also feel rather saddened that the Budget did not lay great emphasis to our agricultural sector. Agriculture is the backbone of this country and it is the most important industry in this country. So, the Budget should have laid a great emphasis on agricultural sector. For instance, it should have given certain subsidies to the farmers of at least 20 per cent to ensure that they give maximum production of various products like milk, grains *et cetera*.

So, I feel that something should have been done about it. All the same, fertilizer is an important factor in agriculture and the Minister should have done something about it to ensure that farmers are able to pay affordable prices for it.

Mr. Temporary Deputy Speaker, Sir, the other day I was at the Kenyatta National Hospital (KNH) and I can say that we are lucky that, at least, we got a loan from the World Bank to renovate this hospital. It is all right to do that, but we do not have drugs and vaccines for the patients. The same thing applies to all Government hospitals in Kenya. Yet, some resources are being diverted to useless projects, which usually end up being white elephants. We have many white elephants, the examples of which are the molasses plant in Kisumu, which precipitated the death of the late Dr. Ouko, and others. My worry is that this Government does not seem to have an economist who can look into various avenues for proper investment, that can generate income for our people.

It is also a pity that instead of foreign investors investing in this country they are being scared away by some inflammatory and scaring statements which are being made by a very senior member of this Government. Every now and then investors are being told that this country is bound to become another Rwanda, that it is threatened by FERA, Odongo and Leakey. Sooner or later, I should not be surprised to see KANU hawks burning an effigy of Leakey all over the country. This is scaring away foreign investors, the majority of whom are "White" like Mr. Leakey. So, the sooner this Government leaves alone Mr. Leakey the better. We have a "White" KANU Member of Parliament here who has not changed the colour of his skin after being elected to this House. This is hon. Criticos.

Mr. Biwott: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me an opportunity to contribute to this Motion. In doing so I would like to hasten and correct a wrong impression which is constantly being created by people who are misguided. If it is true that, as an hon. Member seems to have said in this House, the proposed Eldoret Airport is a place for export of cow dung to arid areas, that statement is very unfortunate. It is not only unfortunate, but I think it is a statement that is made by idiots. Such a statement is only made by an idiot because there can never be an airport---

Mr. Obwocha: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Member for Kerio South in order to call another hon. Member an idiot? Is that parliamentary?

Mr. Biwott: Mr. Temporary Deputy Speaker, Sir, all that I said is that such a statement can only be made by an idiot, but I did not refer to anybody.

The Temporary Deputy Speaker (Mr. Ndotto): Order, Mr. Biwott! Can you withdraw that word and proceed?

Mr. Biwott: Mr. Temporary Deputy Speaker, Sir, I will withdraw in the hope that those who indulge in such cheap statements will desist from doing so as from now. This is because we deserve---

The Temporary Deputy Speaker (Mr. Ndotto): Order, hon. Biwott! Can you withdraw unconditionally and then proceed, please?

Mr. Biwott: Mr. Temporary Deputy Speaker, Sir, I withdraw that idiotic statement, because whoever made it--

Mr. Shikuku: On a point of order, Mr. Temporary Deputy Speaker, Sir. I am old enough to know whether somebody has withdrawn or not. You asked the hon. Member to withdraw the word "idiot" and then he refers to an "idiotic statement". For how long can we tolerate this?

The Temporary Deputy Speaker (Mr. Ndotto): Order! Hon. Biwott, can you withdraw unconditionally and then you proceed?

Mr. Biwott: Mr. Temporary Deputy Speaker, Sir, to simplify it for hon. Shikuku I withdraw the word. I think he understands the simple language "I withdraw!".

Mr. Temporary Deputy Speaker, Sir, I believe that when a project is undertaken in this country, that is done after considerable study has been carried out, which will have established the viability of the particular project. This country is on record as having undertaken all its projects after thorough analysis and after all the necessary stages have been gone into. Indeed, this project at Eldoret came through this House in the last Budget. It is this House which approved the first payment for it. I wonder where those who are talking ill of the project were at that particular time.

Mr. Temporary Deputy Speaker, Sir, I would like to congratulate the hon. Minister for Finance for introducing here a Budget that is well thought out. This Budget will go a long way in inducing investors to come to this country. However, there are a few things in this Budget which I would encourage the Minister to look at again and see how best he can help the farmers. If food imports, which are not properly managed, are going to be allowed into the country the farmer in this country will suffer. If the farmer suffers to the extent that he does not grow crops to feed wananchi, then I think this country will have placed itself in a very difficult situation.

So, it is with thorough---

ADJOURNMENT

The Temporary Deputy Speaker (Mr. Ndotto): Order! Hon. Members, it is time for the interruption of our business and the House is, therefore, adjourned until tomorrow, Wednesday, 21st June, 1995 at 9.00 am.

The House rose at 6.30 p.m.