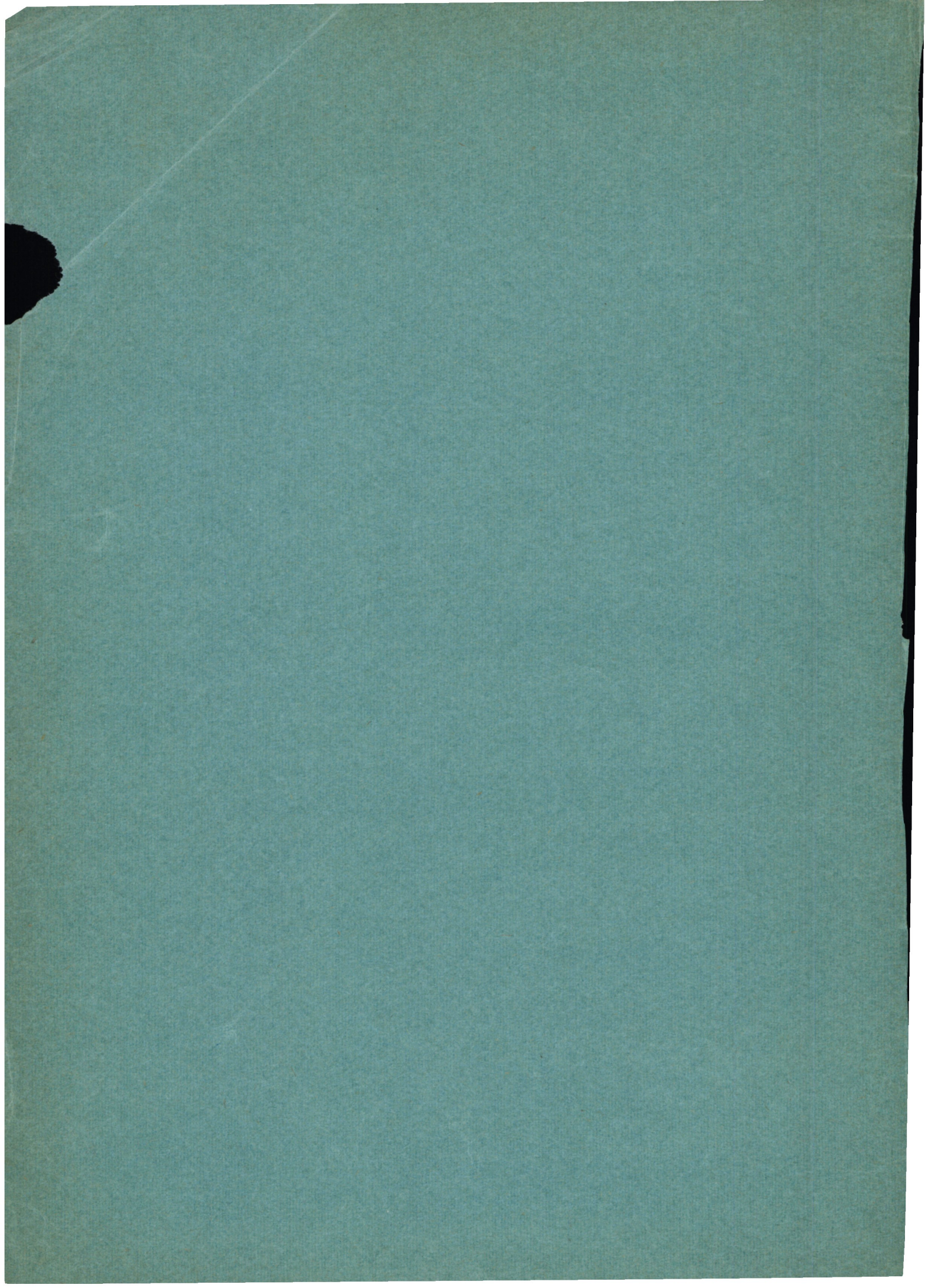


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**REPORT OF THE  
SELECT COMMITTEE ON THE  
MAIZE INDUSTRY**



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**REPORT OF THE  
SELECT COMMITTEE ON THE  
MAIZE INDUSTRY**

## PREFACE

MR. SPEAKER,

On 11th July, 1972, the following were appointed by the National Assembly of the Republic of Kenya to be Members of the Select Committee on the Maize Industry:

THE HON. W. WABUGE, M.P. (*Chairman*)

THE HON. H. R. ARAP CHEBOIWO, M.P.

THE HON. E. T. MWAMUNGA, M.P.

THE HON. W. M. SAINA, M.P.

THE HON. K. B. MWAMZANDI, M.P.

THE HON. K. KINYANJUI, M.P.

THE HON. D. O. AMAYO, M.P.

THE HON. P. N. MUNYASIA, M.P.

THE HON. I. K. MUTHUA, M.P.

THE HON. G. A. EMOTO-EBU, M.P.

The Resolution containing the terms of reference of this Committee was passed on 28th April, 1972 and is as follows:—

THAT, in view of the fact that maize has become the staple food of this country, and that consumption has leapt up tremendously, and since the population is increasing every year and the country is faced with a shortage of maize from time to time, this House resolves to appoint a Select Committee to inquire into the problems facing the maize industry generally, and make recommendations to the House, in particular:—

- (a) to find ways and means of increasing maize production both for local consumption and for export;
- (b) to raise, guarantee and stabilize the price of maize in the country; and
- (c) to look into the question of proper storage, marketing and distribution of maize-meal throughout the country.

The Select Committee heard evidence in Nairobi and in the Provinces, where it received written and oral evidence from Provincial Commissioners and other members of the administration, representatives of various Ministries, representatives of farmers' associations, the Maize and Produce Board, the milling industry, the Kenya Seed Company hybrid seed growers, individual maize growers, and other individuals giving evidence in their personal capacity including several from the University. Many Members of this House also appeared before the Committee. The Committee was heartened by the widespread interest in its work and the many expressions of appreciation to the House for appointing the Committee to look into the maize problem. The Committee received generous co-operation and assistance from all quarters with the exception of two of the Provincial Commissioners who did not give the Committee the assistance it required. But the Committee is particularly appreciative of the support of the Provincial Commissioners in Western and Eastern Provinces, and the Acting Provincial Commissioner in Nyanza, who personally appeared and gave evidence before the Committee. The Provincial Commissioner North-Eastern also gave the Committee assistance although he was unable to appear to give evidence and the Provincial Commissioner Nairobi submitted a memorandum. The Committee appreciates the co-operation it received from officials of the Ministry of Agriculture and the Ministry of Finance and Planning, particularly their Permanent Secretaries who appeared at length before the Committee. The Committee also received a great deal of assistance from the General Manager of the Maize and Produce Board, and his staff, and from the Kenya National Farmers' Union and the Kenya Farmers' Association. The Committee is grateful to these and to all the other people who contributed by giving evidence and by submitting memoranda.

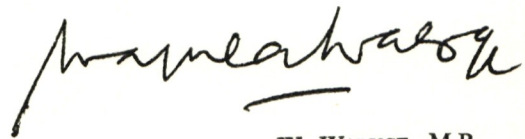
Although the Committee was appointed to look into the price of maize and the problems of the maize industry generally, it was surprised to find that no consumers or traders came to give evidence. The Committee had considerable difficulty in coming to conclusions that were reasonable and fair to all sections of the industry, and its task was made more difficult by the lack of support of traders and consumers in this matter.

As Chairman of this Committee, it gives me special pleasure to be able to express my gratitude and appreciation to all the honourable Members who served on the Committee, who sacrificed so much of their time and devoted so much of their attention to the business of the Committee. The contributions of Members have substantially eased the task of preparing the report, and the report has benefited substantially also. The assistance that the honourable Members of the Committee have given the House in this matter is greatly appreciated.

The Committee would also like to record its appreciation of the services of Dr. J. Heyer of the University of Nairobi who acted as economic consultant to the Committee. Finally, the Committee is grateful for the substantial support it received from the staff of the National Assembly.

The Committee has attempted to cover thoroughly the specific terms of reference given to it by the House. It has also covered separately one or two other matters of particular importance to the maize industry. The Committee has been able to make a large number of specific recommendations which it feels are of great potential value to the maize industry, and it hopes that these will be given the attention they deserve.

In conclusion, I would like to thank again those whose assistance helped to make the report what it is. The Committee presents its report to the National Assembly and looks forward to the Assembly giving this report its authority and blessing so as to enable the Government to accept and implement the recommendations contained therein.



W. WABUGE, M.P.,  
Chairman.

Nairobi,  
27th June, 1973.

## CHAPTER I

### BACKGROUND TO THE ESTABLISHMENT OF THE SELECT COMMITTEE

1. The Select Committee was appointed primarily as a result of Members' concern over the repeated shortages of maize that have been experienced in Kenya recently, and Members' lack of confidence in Government efforts to take proper action to avoid them. Members were continually being told that there was plenty of maize being produced in the country, and that therefore there was no case for an increase in the farm price. Then there were occasions on which they were assured that there was plenty of maize in the country, only to find within a matter of weeks that there was an acute national shortage. When the shortage appeared, Members were quite unable to get any satisfactory explanations. A growing dissatisfaction with this state of affairs led to the appointment of the Select Committee.

2. The importance of the maize industry in Kenya stems from the fact that maize is the staple food of the majority of Kenya's people. Shortages of maize affect a large proportion of the population, and are particularly serious for the poorer section of the population. They also affect wages and the cost of living in the towns, which itself influences the development of much of Kenya's industry.

3. Maize is produced by large and small farmers all over Kenya. There is no other crop that is so widely grown, and that is of such crucial importance to the bulk of the farming population as a source of income and as a source of food. Most of Kenya's maize is grown on small-holdings and most of it never reaches official marketing channels. Between 10 and 30 per cent of the total crop is marketed through the Maize and Produce Board, depending on the year, and a declining proportion of this is coming from large farms. There are few rural areas in which maize is not produced, but many rural areas are net importers of

maize, certainly from time to time. Thus farmers also have an interest in the consumer side of the maize market.

4. The recent development of the maize industry has been greatly influenced by the successful production of hybrid varieties of maize with far greater yield potential than most of the varieties that were previously in use. The hybrid maize breeding programme in Kenya is now well known internationally and it is cited as part of the "Green Revolution" through which high yielding varieties have transformed the food position of many countries in the developing world. Kenya's hybrid maizes can give very large increases in yield under the right conditions, and they should enable Kenya to feed her growing population without any difficulty. Roughly 30 per cent of Kenya's maize area is now under hybrids.

5. Tax-payers, through the Government, have a substantial stake in the sound development of the maize industry. The Government has subsidized the maize industry in a number of ways in the past, and it continues to do so. It has also been involved in emergency assistance at times of famine, some of which may be unnecessary. Tax-payers have an interest in ensuring the efficient use of their funds in assisting the maize industry and this is something considered at many junctures by the Committee.

6. In its deliberations, and in its recommendations, the Committee had all of these basic factors in mind. It attempted to do justice to all interests in the maize industry with fairness to all concerned. And foremost throughout was its concern to ensure the national food supply, without national shortages of the kind which were behind the appointment of the Committee.

## CHAPTER II

### INCREASING THE PRODUCTION OF MAIZE

#### TERMS OF REFERENCE:

(a) to find ways and means of increasing maize production both for local consumption and for export;

7. The Committee heard evidence in many parts of the country concerning the problems farmers face in producing maize. Farmers feel handicapped in a number of ways. They are handicapped by inadequate research and extension services; difficulties in obtaining inputs; high input prices; poor servicing facilities for machinery; difficulties in obtaining spare parts; high costs of spare parts; lack of access to machinery in small farm areas; problems in getting labour for weeding and harvesting; difficulties in obtaining credit; problems with the administration of credit; poor access roads; maize theft; inefficiencies in the maize marketing system; and a low maize price. The maize price and the marketing system are both the subjects of separate discussion under our terms of reference (b) and (c) and it is sufficient here to emphasize their importance in influencing maize production. Many of the other problems have already been discussed extensively in the Report of the Working Party on Agricultural Inputs, the Havelock Report<sup>1</sup>, and all that is needed is to emphasize those problems particularly relevant to maize producers and to urge the Government to speed up the implementation of the Havelock recommendations. Some additional problems have also come to light and these are considered in more detail below.

8. *Research and Extension*: the Committee feels that research and extension should be considered together. Extension is no good without research on the basis of which sound advice can be given. Research is wasted unless its results are transmitted to farmers who can put them into practice. Research and extension services have a vital role to play in the development of the maize industry. It is primarily through research and extension that farmers will be able to increase the amount of maize that can be produced from Kenya's limited areas of land.

9. The Committee appreciates the efforts of those responsible for the success of the maize-breeding programmes at Kitale, Embu and Katuani, and hopes that these will receive the backing required to ensure their continued success in future. The Committee heard some evidence suggesting that the interests of small farmers may not be sufficiently prominent in the Kitale programme and recommends that this question be given careful consideration. In general, however, the maize-breeding programme has been very successful, and its very success has helped to overshadow other aspects of research that could be equally significant for the future expansion of maize production. Just because of the success of the maize-breeding programme, there is no reason to be complacent about maize research in general. Aspects that appear to have been lagging behind

seriously are research into soils and fertilizers, research into the effects of crop mixtures, and research into the effects of different husbandry practices. On soils and fertilizers, the Committee endorses the Havelock recommendations (Ch. II, paras. 18-25): there is a need for a national soil survey so that research results can be implemented as appropriate; meanwhile soil testing units should be provided at provincial and possibly also district level; more research should be done on the effectiveness of different types of fertilizer, including urea; under different conditions; the Ministry of Agriculture should make full use of available information from fertilizer trials carried out by private companies, the FAO/Freedom From Hunger Committee programme, and individuals in official research stations; the Ministry should also co-ordinate the design and interpretation of these different trials; a handbook on fertilizer recommendations should be prepared and kept up to date. The Committee stresses the importance of these recommendations as far as the maize industry is concerned. In addition, the Committee recommends that more attention be given to research into the effects of growing maize in mixtures which may be the most efficient way of growing maize in some small farm areas; and the effects of different husbandry practices on maize growing. Such research is badly needed to help the extension services give better advice on the most efficient practices for farmers in different situations.

10. Much of the impact of the research that has been done on different aspects of maize production has been reduced by the inefficient use of extension and other communications channels through which recommendations based on research results are transmitted to farmers. The Committee found widespread dissatisfaction with the Government extension services. Firstly, extension officials should be there to educate and help farmers to do better in their farming, but in some areas they are still acting as policemen, looking for mistakes. This is a hangover from colonial days and it should be corrected. Secondly, extension officials should be able to reach farmers on their farms, when required, but in any areas they are handicapped by lack of transport both at the district level where vehicles and petrol are the constraints, and at the lower levels where bicycles or simple motorcycles would provide sufficient mobility. The poor quality of access roads in many areas also adds to the severity of this problem. An extension official cannot do his job without adequate transport facilities, and the Committee strongly recommends that these facilities be provided forthwith. Thirdly, extension officials are often insufficiently qualified to advise farmers properly on maize growing. There are specialized extension officials for tea, pyrethrum and other products, but not for maize. Farmer Training Centre (FTC) courses designed to improve their expertise with respect to maize are

<sup>1</sup> Republic of Kenya, Report of the Working Party on Agricultural Inputs, 1971.

often insufficiently adapted to the level of extension officials attending. *The Committee recommends* that extension officials be grouped according to their level, and that it be made possible to progress through a series of courses at successively higher levels to increase the expertise of extension officials concerned with maize. Any extension officials expected to advise farmers on maize should receive the preparation and support to enable them to do this effectively. *The Committee recommends* that the problem of insufficient expertise be solved either by providing a more specialized extension service, or by providing more training and support to multi-purpose extension officials.

11. The Committee also feels that inadequate use is being made of demonstration farms. There should be demonstration farms in all maize-growing areas at the location level. These farms should be used both as a source of localized research recommendations and as extension tools. The Committee recognizes the role of the FAO/Freedom From Hunger Committee in providing fertilizer demonstrations, but feels that it should be a regular function of the Ministry of Agriculture to provide these farms and to make full use of them for extension and research. *The Committee recommends* that the Ministry of Agriculture takes this up.

12. The extension services are not the only channels for the dissemination of research findings and other information relevant to maize growing. Research findings can be communicated through the mass media: radio, newspapers, etc.; through more specialized written materials: magazines for farmers, newsletters, pamphlets, etc., through farmers' groups; through traders and co-operatives; and through other means. The Committee feels that insufficient use is being made of written communications channels. There are many farmers who can make good use of written materials, even in the small farm areas. *The Kenya Farmer* which is the only magazine specifically aimed at the farming community in Kenya is inadequate. It does not reach the majority of farmers and it does not carry the right sort of material to assist ordinary farmers with the development of their farming expertise. The Ministry of Agriculture should play a much greater role in this field. Its Agricultural Information Centre is inadequately staffed to perform the role for which it was intended, and it appears to be almost totally ineffective in improving communications to farmers on matters of importance to them. *The Committee recommends* that the Agriculture Information Centre be given adequate support to perform its intended role and that it produce a newsletter, pamphlets and other communications to farmers, and make much more use of existing communications channels.

13. The Committee noted that there are still some districts in which there are no FTCs. The Committee considers that FTCs have an important role to play in the expansion of maize production, and it recommends that the Government extend their provision so that there is at least one FTC per district. In large districts with diverse

farming regions more than one FTC will be necessary. In designing its FTC programmes, the Committee also recommends that the Government pay more attention to the needs of the different ecological zones as recommended by Havelock (Ch. IV., para. 7).

14. Finally, the Committee found cases of incorrect advice on maize growing having been given to farmers by Government extension officials. One example commonly quoted was the incorrect rate of application of fertilizer, the result being that the yield was poor and the farmer was convinced that fertilizer was no good at all. Another example was the planting of hybrid seed and fertilizer in one hole with no soil mixed with the fertilizer to prevent it from burning the seed. Such cases can arise through inadequate research, through poor research interpretation, through paying insufficient attention to the communication of correct research recommendations, or through shortcomings within the extension services. *The Committee recommends* that measures be taken to keep such incidents to a minimum to avoid destroying the confidence farmers have in services that can be very crucial to them.

15. *Seeds, Fertilizers and Chemicals*: the Committee recognizes that an efficient maize industry can only develop through increasing the use of improved seeds, fertilizers and chemicals. It regards the encouragement of a higher rate of utilization of these inputs as a matter of great importance to the maize industry. With land in short supply, substantial increases in maize production can only come about through higher per hectare yields, and a large proportion of any increase in yields will have to come from increasing the use of these inputs. Farmers are experiencing considerable difficulties in obtaining inputs at present. A great deal of effort often goes into convincing farmers that their use is worthwhile, only to find that the difficulties involved in obtaining the inputs are enough to stop otherwise willing farmers from using them.

16. Farmers in many areas have to travel great distances to purchase inputs. Input stockists in the rural areas are few and far between, and many of them run out of supplies after only a small proportion of farmers have purchased their requirements. This has already been noted by the Havelock Working Party which recommended increased access to short-term credit for input stockists to enable them to carry sufficient stocks (Ch. IV, para. 12). It also recommended the reorganization of the Kenya Farmers Association (KFA) to provide a nation-wide service to all farmers in this respect (Ch. IV, para. 11). The Committee understands that KFA has already started its own internal reorganization and it strongly supports any such reorganization that will enable small farmers to be more adequately represented in KFA. When small farmers are truly represented the Committee feels that KFA will be able to provide much of the improvement in service that is required with respect to inputs. Meanwhile, *the Committee supports the Havelock recommendation* for increased access to short-term credit for existing input stockists, but it feels that this credit needs to be tightly controlled to



ensure that it does indeed augment input supplies. There is evidence suggesting that traders given increased access to credit will use it to increase their stocks of goods other than agricultural inputs. *The Committee therefore recommends* that the credit given to input-stockists for this purpose be given in kind, and that the District Agricultural Committee (DAC) be in overall control of this. The lack of adequate storage facilities appears to be another reason for the insufficient availability of input supplies. Input stockists also need to be assisted here, and *the Committee recommends* that loans to help increase the storage available for agricultural inputs also be given. This is all the more necessary given the importance of minimizing delays where agricultural inputs are concerned, and given the relatively poor distribution facilities for moving inputs quickly to the areas in which they are required. In addition to the above measures, *the Committee recommends* that means of strengthening alternative sources of supply be explored. Inputs can be supplied through traders, through co-operatives, or through farmers' associations. The Committee is not convinced that the alternatives to small traders have been sufficiently thoroughly explored although the KFA may be able to play an important role. While endorsing the Government's attempts to improve the situation by providing short-term credit to input stockists, the Committee feels that this alone will not go far enough to solve the problems.

17. The Committee feels that the combination of measures recommended above will go some way towards increasing the incentives to traders and others to make inputs available on time. However, *it also endorses* the further recommendations of the Havelock Working Party (Ch. V, para. 6) in this respect, namely that subsidies be payable six-monthly for inputs invoiced before specified date, to increase the incentive to traders to obtain their supplies on time. Consideration should also be given to tying the supply of trader credit to timeliness in a similar way.

18. Another problem is that farmers with small farms often find the existing input packages too large. The Committee found traders in some small farm areas splitting 50 kg. bags of fertilizers into smaller lots and others selling fertilizer loose, to try to meet farmers' requirements in this respect. The Committee feels that this is an unsatisfactory solution. Farmers are already suspicious that fertilizers and seeds not packed in recognizable bags may have been tampered with. This sort of discouragement should not be added to those farmers already face in this field. *The Committee recommends* that the major input suppliers be asked to split fertilizer consignments into 10 kg. bags to avoid the possibility of adulteration by small traders. A slightly higher price per kilogram would be charged for the smaller bags, but farmers would gain greatly from their added convenience and the guarantee that the fertilizer was genuine.

19. The Committee feels that the suppliers and traders in the agricultural input field are failing farmers in yet another way. Farmers should be

able to get technical advice from the major distributors and from traders supplying them with inputs. At present, they get little more than instructions written on input packages. If they do not understand these, if they have problems with them, or if they want to compare different products, they should be able to consult the traders from whom they buy, for advice. The extent to which traders can advise farmers in these matters at present is extremely limited. *The Committee recommends* that the major suppliers be required to perform this role of educating the traders in direct contact with farmers so that they can give advice in connexion with their products. The traders should also be encouraged to regard this as an important function and should go out of their way to obtain relevant information. They may need some additional incentive if they are to do this.

20. The Committee found that supplies of improved seeds had been inadequate in recent years, and it heard evidence suggesting that the future supply of seed may be in jeopardy as seed producers have inadequate incentives to expand their output to meet the demand. The Committee heard that the price paid to seed growers used to be Sh. 80 for a 90 kg. bag of seed. In 1972, the price was raised to Sh. 100 per bag, but the Kenya Seed Company changed the specifications from a 90 kg. bag to a 100 kg. bag of *clean* seed. Seed growers feel that this had the effect of decreasing the price below its pre-1972 level. The Committee recommends that the matter be investigated and that the Government ensure that what was intended as a price increase actually reaches seed-growers. *The Committee urges* the Government to consider the adequate supply of seed as a matter of the highest priority, and if necessary to consider producing more seed on state farms to ensure that there are ample future supplies.

21. The Committee also heard complaints that the price farmers have to pay for seed is too high. The Committee appreciates that this is a relatively small item in the total cost of maize production, particularly on the large farms, nevertheless *it recommends* consideration of a subsidy to encourage the spread of improved varieties of maize.

22. The Committee heard some specific complaints in relation to the distribution of Katumani maize seed. The fact that it is bulked in Kitale was said to make it late for the rains in Eastern Province. *The Committee recommends* that those concerned look into the matter very urgently and consider bulking the seed in Eastern Province if transport problems make the delay unavoidable.

23. The Committee was extremely concerned about the rapid increase in the price of fertilizer over the last two years. Between 1971 and 1973, the Mombasa prices of the common phosphatic and nitrogenous fertilizers have risen by 44 to 73 per cent. In addition, the Government subsidy has been reduced by 40 per cent, raising fertilizer prices to farmers by a further 10 per cent. The world price of fertilizers is high as there is a world shortage at present. At the same time the Government has reduced the subsidy because so much of the benefit was felt to be going to traders

rather than farmers. Farmers benefit very considerably from the fertilizer subsidy which is especially needed at a time when world prices are so high. The Committee feels that the problem of too much of the benefit going to traders should be looked into with the greatest urgency, so that the Government can raise the fertilizer subsidy again for the coming year. The Committee feels that it is quite wrong for farmers to suffer, and for maize production to be reduced, simply because there is a problem with the fertilizer trade. Indeed because of the current world shortage, *the Committee recommends* that the subsidy be raised above its previous level.

24. Further to the question of fertilizer prices, the Committee is not convinced that Kenya is getting the benefit of the cheapest sources of fertilizer supply. The big distributors are still buying from Europe when cheap supplies are available from the Persian Gulf. The Committee understands that the fertilizer distributors in Kenya operate a cartel with strong links with parent companies in Europe and it suspects that this is one of the reasons why cheaper sources of supply are not being used. If the Government is to continue to subsidize fertilizer prices, it is important for it to ensure that the subsidy is not misused. For this reason *the Committee recommends* that the reconstituted Fertilizer Advisory Committee recommended in the Havelock Report (Ch. III, para. 17) advise the Government in this respect.

25. The Committee notes the encouragement given to East African fertilizer producers by the recent introduction of an import duty on fertilizers, and it is concerned that this should not have the effect of decreasing the supply and increasing the cost of fertilizers to maize farmers. *It urges* the Government to ensure that the quantity available, the varieties available, and the quality available be assured, and that the import duty not be used as an excuse to raise the local price. The Committee also feels that greater consideration should be given to the possibilities of establishing fertilizer plants in Kenya. If it can be shown that this would benefit farmers in terms of a lower fertilizer price, at no cost to the rest of the community this is a development that should be strongly supported. The Committee heard evidence to the effect that this had been investigated by the Government and that it would not be worthwhile. But the Committee was unable to find any serious studies that had been undertaken to show this. The Committee heard arguments on the other side by the fertilizer distributors, and while the Committee recognizes that the interests of the distributors may not be the same as the interests of the farmers and the nation in this matter, *it does recommend* that this question be seriously studied.

26. *Machinery*: the role of tractors and other machinery in the production of maize even in the small farm areas is increasing. The Committee considered the argument that this should be discouraged because of the unemployment problem, but it noted that not all mechanization is employment substituting; some mechanization actually increases employment. Tractors to break land, for

example, increase the area that can be cultivated and increase the demand for labour for other farming operations. There are types of mechanization such as the mechanization of harvesting or weeding operations that can substitute for labour, but not all mechanization does this.

27. The Committee is concerned about the rise in the initial cost of machinery, the inadequacy of servicing facilities and stocks of spares, and the high cost of spares. A tractor that two years ago cost Sh. 28,000 now costs Sh. 46,000, a very large increase in a very short time. Similarly, the cost of spares and servicing has risen rapidly. There are many problems with machinery. There are too many different makes of tractor available, some of which are unsuitable for Kenya conditions, some of which are poorly supported in terms of servicing and spares. The Machinery Testing Unit at Nakuru continues to test the different makes, but it does not publish the results. *The Committee recommends* that the unit be required to publish the results of all machinery tests as was recommended in the Havelock Report (Ch. XIII, para. 12) and in the ILO Report (Employment, Incomes and Equality in Kenya, 1972, p. 147). *It also recommends* control over the importation and sale of different makes of tractor so that only those that have proved suitable for Kenya conditions are allowed, and so that the distributors licensed in this field are required to provide a minimum standard with respect to spares and servicing. The Committee is extremely concerned about the deterioration in quality and availability of servicing facilities in the past few years. The Committee regards it as a matter of high priority that servicing facilities be improved in quality. They should also be well distributed through farming areas, and in many cases this will mean encouraging the smaller-scale enterprises in this field. The Havelock Report contained a number of recommendations designed to improve the servicing position (Ch. IX, paras. 1-4): courses for agricultural mechanics should be expanded; the Ministry of Agriculture should recruit suitable mechanics for posting to selected FTCs to help increase the skills of farmers and agricultural extension workers in mechanical fields; additional mechanization officers should be recruited and required both to educate farmers and to control the activities of dealers, agents and servicing concerns; more should be done to improve standards of use and maintenance through manuals written in Swahili as well as English, and through visual aids; the Agricultural Information Centre of the Ministry of Agriculture should include this activity within its duties; and work permits should be available for up to five years if really required for skilled mechanics and supervisors in servicing concerns. *The Committee endorses* the Havelock recommendations. The Committee had some reservations about recommending work permits for as long as five years. It considers that these are necessary but that they must be coupled with an intensive training programme to ensure that there is absolutely no justification for prolonging them beyond that period. *The Committee also recommends* that small-scale servicing enterprises be encouraged with financial and general management training

as well as training for mechanics. Small-scale enterprises will be more widely distributed and will give greater accessibility for farmers spread over large geographical areas than the large-scale enterprises can.

28. The servicing problem is also linked to the problem of obtaining spare parts. The prices of spare parts have increased greatly, but even more serious is the difficulty of obtaining any spare parts at all in many cases. It is common for farmers to find that spare parts are only available in Nairobi, and quite often particular spare parts are not available in Kenya at all. This used to lead to emergency action, airfreighting the necessary spares immediately. Now, with the import restriction procedures, this is no longer possible and delays are very substantial. The Committee has already recommended (para. 27 above) that it be a condition of being allowed to operate in the Kenya market that a certain level of stocks of spare parts be kept. In addition to this, *the Committee recommends* that authorized dealers be given open licences to import agricultural machinery spare parts by air in emergencies up to a specified amount annually.

29. The Committee heard that some spare parts are now being manufactured in Kenya by local firms. If this is to continue, the Committee feels that it is of the greatest importance that quality be controlled, as recommended in the Havelock Report (Ch. X, para. 6). If an acceptable standard can be maintained, the local manufacture of spare parts could help to keep the prices of local and overseas supplied parts down. *The Committee recommends* that this be encouraged, but that it be accompanied by strict quality control. The possibility of manufacturing "genuine" spares locally under licence from the original manufacturers should also be explored.

30. In small farm areas, many maize producers are unable to get access to tractor hire services they would like to use, and others suffer the inconvenience and production losses consequent on delays in obtaining tractor hire services. *The Committee recommends* that the Government encourage the provision of efficient tractor hire services either through private contractors, or through co-operatives, or in areas where neither of these is satisfactory by providing its own tractor hire units. At present there are problems over maintenance and servicing; the qualifications of tractor drivers are poor, leading to unnecessary breakdowns and the necessity to call in mechanics for repairs that should be able to be done without; book-keeping and general management skills required to run an efficient tractor hire service are lacking. *The Committee recommends* the provision of loans, training, advice and improved servicing facilities to enable private contractors, co-operatives and Government tractor hire service units to perform a more efficient service to farmers.

31. The Committee also considered the possibility of introducing smaller and simpler types of machinery in small farm areas. *The Committee recommends* that suitability of the basic tractors available from Makerere (the Boschoff Tractor)

and from Swaziland should be investigated carefully, and that other sources of machinery suitable for small farms should also be explored. In many countries in other parts of the developing world such machinery has been developed, and some of it may be adaptable to Kenyan conditions.

32. *Labour*: maize is a labour-intensive crop. It requires a great deal of labour particularly for weeding and harvesting. The Committee heard many complaints about the difficulty of getting casual labour at weeding and harvesting seasons, not only in the large farm areas. In view of the unemployment problem, the Committee feels that this is a very serious matter. It is all the more serious because labour problems encourage the type of mechanization that substitutes for labour. The Committee feels that measures should be taken to reduce the incentive for farmers to substitute for labour when employment is needed so badly. At the same time, it recognizes the need to create sufficiently attractive conditions so that employment is worth having. Employment is never desirable for its own sake; it is only desirable in so far as it enables those employed to enjoy a higher standard of living.

33. The Committee appreciates that labour will continue to be difficult to get if conditions are not improved. Farmers cannot expect to get labour unless they can provide reasonable conditions of work and pay. The conditions must be sufficiently attractive to induce many people to come and work. But there is a limit to the amount that farmers can give while still finding it worth employing people. If labourers ask for too much, farmers cannot employ them at all.

34. One of the problems at present is that so many unemployed people are not prepared to work on the terms that farmers feel able to offer. They do not like doing manual work, and they do not find the rewards sufficient to compensate for this dislike. In part, this is the result of the educational system and the ambitions that it has created. It is not until school-leavers accept the realities of the labour market after failing to get the kind of job that they would like, that they are prepared to accept the jobs available. Something can be done to change the educational system to encourage favourable attitudes to farm work, and to reduce ambitions that are unrealistic, but not much can be done, and certainly not in the short run. Farmers will have to accept that it is no longer possible to get people on the same terms as before because of all of the national developments that are taking place. This is a sign of national progress. Something better now needs to be offered to induce people to work.

35. The Committee considered the different ways in which farmers could be assisted in offering more, and the ways in which farmers could improve their terms themselves. It is difficult to do much about the nature of the work: manual work is manual work. But housing and amenities could be improved, particularly for casual labour. Farm workers' villages could be designed with basic amenities to serve a group of farms. Alternatively, assistance could be given with transport to centrally located amenities, and this could be

combined with measures to encourage the provision of better standards of accommodation on individual farms. For casual labour, labour contractors could provide housing and amenities, or more of these facilities could be provided by the Central or Local Government. *The Committee recommends* that these and other possibilities be examined carefully with a view to improving farm labourers' living conditions.

36. Wages could not be increased much without making employment unprofitable, but more of the right kind of payment by results might improve the rewards for good work and *the Committee recommends* that more use be made of bonus systems of payment for manual work. Longer run incentives might be provided through good promotion possibilities within the farm for those who proved good at manual work; or the possibilities of going for further training and education could be used as a reward for good work. Opportunities for promotion within the farm would include opportunities to work as clerks, tractor-drivers, foremen, etc. Opportunities for further training could be related to the needs of the farm, or they could be provided through the employer recommending exceptional employees for training courses leading to positions elsewhere. *The Committee recommends* that Government training courses related to agriculture, for example those at Ahiti and Embu, give preference to those with previous records in farm work. Employers themselves could seek other training opportunities that might be open through their good offices. Since many of the unemployed are people who would like further training opportunities, a chance to get into them could provide a substantial incentive to the acceptance of manual work for an interim period of a few years. Those who proved exceptional could move on to further training. Others might get promotion on the farm, and yet others might settle down and accept manual work once they had got used to it.

37. *Credit*: the Committee heard much evidence relating to the present system of Guaranteed Minimum Return (GMR) (officially known as Minimum Financial Return) advances, but it understands that this is likely to be replaced, so its comments refer to any system of short-term credit, whether GMR or something else. The Committee feels that all maize producers should have access to credit while recognizing that not all maize producers will want to use it. *The Committee recommends* that the element of discrimination in the present system which discriminates against small farmers be abolished forthwith.

38. There are many complaints about the current system of administration of GMR credit. In many cases the funds have not been arriving on time, delaying the farming operations and resulting in losses in yield. The repayment process is cumbersome and results in long delays in the payment for maize deliveries in areas in which there is no Agricultural Finance Corporation (AFC) office of sufficient standing to handle repayment without reference to head office. The procedures involved in handling credit are costly to farmers in many ways. Further, they are

quite unsuitable for the extension of credit to farmers in the small farm areas. *The Committee welcomes* the AFC decision to decentralize its credit operations, and hopes that this will go some way towards solving the problems farmers in the large farm areas face. However, *the Committee recommends* much greater decentralization for the small farm areas where it feels that credit agencies should be located on a Divisional or Location basis. Farmers need to be in close touch with their credit agency, and the credit agency needs to be in close touch with its clients if it is to perform efficiently. It is only by going down to the level of day to day contact with the community that the administration of credit can be successful on a large scale in small farm areas. There are various ways of doing this: through co-operatives, through farmer associations, through traders, or through agents of the national credit agency, to mention a few. In this connexion, the current experiment that is being conducted by the AFC in Vihiga deserves attention. The AFC is experimenting this year with a Divisional office in Vihiga making its own decisions about loans to small farmers for maize production. The results of this experiment should be carefully evaluated to see if it can be extended to other small farm areas in the country. The co-operative movement is also expanding its provision of credit in areas in which co-operatives are strong, and this will help maize production in those areas, but there are many areas still completely outside this scheme. In extending credit in small farm areas, *the Committee recommends* that particular attention be paid to educating farmers in the use of credit. It is not easy to use credit and this is something with which extension advisers should help.

39. The Committee considers the present system of tying credit to maize unduly restrictive. Credit should be available for the farm as a whole, and its repayment should be secured in the most convenient way. This will often mean credit that has gone into maize production being repaid through other products, like milk or tea, and it should make repayment procedures easier.

40. The Committee feels that the amount that it is possible to borrow for maize production should be increased. It was noted in the Havelock Report that it is too little (Ch. IV, para. 21) and there have been considerable increases in input prices since. The amount that it is possible to borrow should be related to costs and to rises in costs, as well as to changes in technical recommendations, and *the Committee recommends* that the current ceiling be increased immediately from Sh. 180 to between Sh. 250 and Sh. 300 per acre (Sh. 450 to Sh. 625 per hectare) depending on the region.

41. Finally, the Committee feels that the crop insurance element of the GMR system should not be dispensed with entirely in a new system. It should be possible for farmers to insure their crops, and *the Committee recommends* that an insurance scheme be worked out separately from credit facilities.

42. *Access Roads*: the Committee heard complaints about the state of access roads which present problems to farmers in many parts of the country. The Government is spending a great deal on the construction of trunk roads to improve the transport network in the country, but very little attention is being paid to access roads in farming areas. Inadequate access roads hamper farmers on every side: they prevent them from getting easy access to inputs of all kinds, and they prevent them from getting easy access to markets for their produce. They have a serious influence on maize production. *The Committee recommends* that farm access roads be given higher priority in the next national development plan.

43. *Theft*: farmers are extremely concerned about maize theft which is difficult to detect and even more difficult to control. Losses through theft substantially reduce returns and the attractiveness of maize production in many areas. *The Committee recommends* that those losses be treated with the same seriousness as stock theft, and that maize and other crops be included with stock in the stock theft laws. Meanwhile *the*

*committee recommends* that the courts be instructed to treat maize theft with less leniency, recognizing the harm done to national production by lenient treatment.

44. *The Geographical Pattern of Maize Production*: the Committee is aware of the importance of increasing maize production efficiently. Kenya cannot afford an inefficient maize industry, specially as maize is the national food. All of the measures that have been listed are measures designed to increase the efficiency with which maize is produced, so that more can be produced at reasonable cost. In this, a factor that should not be overlooked is the geographical pattern of production in the country. Some parts of Kenya are clearly better than others for producing maize. Some areas can produce maize extremely efficiently. These are the areas from which most of the increase in maize production should come. But the other areas should not suffer; they should benefit from this. They should be encouraged to produce more of other products, knowing that they can always get enough maize from the areas that produce it well. This can be achieved through suitable price policies, and these are discussed at length in the next section.

### CHAPTER III

## THE PRICE OF MAIZE

#### TERMS OF REFERENCE:

- (b) to raise, guarantee and stabilize the price of maize in the country;

#### A. The Farm Price of Maize

45. The farm price of maize is one of the most important factors determining the quantity of maize that is produced in Kenya. To the extent that the farm price is related to consumer prices for maize it also helps to determine the quantity of maize that is used by households and industries in Kenya. The Committee considered recent experience with respect to production, price and domestic consumption as a necessary preliminary to its discussion of the raising of farm maize price.

46. At the current farm price, farmers are producing enough maize for human consumption, enough for livestock and processing, and some for direct export as well, in most years. There has been a clear upward trend in maize production in Kenya over the last 10-12 years. Maize production both on the large farms and on the small farms has been increasing, partly due to the introduction of the improved varieties of maize and partly due to the improvements in other aspects of maize production throughout the country. There are no reliable figures of total maize production; only a small proportion of the total crop ever reaches the Maize and Produce Board, and it is only for transactions through the Board that figures are available. But the quantity of maize marketed as a residual through the Maize and Produce Board has been increasing very substantially as *Table 1* and *Diagram 1* show. There have been large year to year fluctuations around a rising trend. The peaks are getting higher and higher, rising from 2.2 million bags in 1962/63 to 3.6 million in 1967/68 and an unprecedented 4.7 million (estimated) for 1972/73. The troughs also appear to be getting less severe, although here the evidence is less substantial as it is possible that the period considered does not include enough years of really severe drought. It would be interesting to know how the total area planted to maize has been changing, but unfortunately these figures are only available for large farms. On large farms, as shown in *Table 3* and *Diagram 2*, the area has been increasing since 1964, with the exception of a small decrease in 1968. (The area decreased dramatically in 1963 and 1964, partly due to the transfer of large farms to settlement, and partly due to the low price of maize relative to other products such as beef and dairy products.) It is worth noting that in 1969 and 1970, when prices, which are shown in *Table 2* and *Diagram 2*, were at the very low level of Sh. 25 per bag, the area under maize on large farms continued to increase. This is undoubtedly due to the improvement in the varieties of maize available since the early 1960s and to improvements in maize husbandry and other aspects of maize production. These obviously made maize a profitable crop despite price reductions in the

later 1960s. With continued improvements in the productivity of maize, and a reasonable price, there is every likelihood that the upward trend in maize production will continue.

47. Kenya needs to produce increasing quantities of maize to feed her growing population, and to support the livestock and processing industries that depend on maize. Consumption in the subsistence farming areas grows as subsistence farm families grow, and as standards of food consumption improve. Consumption of marketed maize also grows as more farmers specialize in non-maize production and as people move from farming into other occupations. As people move into higher income groups increased consumption of better quality foods substitutes to some extent for maize, but this is not a very significant factor in the total picture in which the increased demand from the poorer families will almost certainly continue to overshadow any decrease in the demand of those moving into upper income groups for some time to come. The growth in consumption of marketed maize for human consumption will depend on the extent to which farmers in areas less well suited to maize growing specialize in non-maize products and turn to the market to fulfill their maize requirements. It will also depend on the growth of non-farm employment. The fact that there has been only a rather small upward trend in the sale of maize for human consumption in recent years does not necessarily mean that this will not grow more rapidly in future. Indeed the future growth may be much more rapid if the internal market for maize is freed as recommended later in the report (Ch. IV) and if the consumer price of maize is brought down.

48. With the substantial increases in production, there have been large surpluses over human consumption requirements in the past few years as *Table 1* and *Diagram 1* show. The deficits in years of low production have also been relatively small. These facts have been obscured by the acute shortages that have been experienced recently as a result of the export and import policies that have been followed. Even when there has been plenty of maize produced there have been shortages due to hasty decisions to export too much, and late decisions on imports which take time to arrive. These matters are considered in detail in Chapter IV. Judging from recent production and consumption figures, it is clear that if maize production continues to expand as rapidly as in recent years the surpluses over and above human consumption needs, allowing enough reserves to cover all possible shortages, will continue to increase.

49. Surpluses over and above human consumption needs can be used in Kenya's livestock industries and to produce other products processed from maize. They can also be used for direct export. But the export markets for livestock and processed maize products seem to be

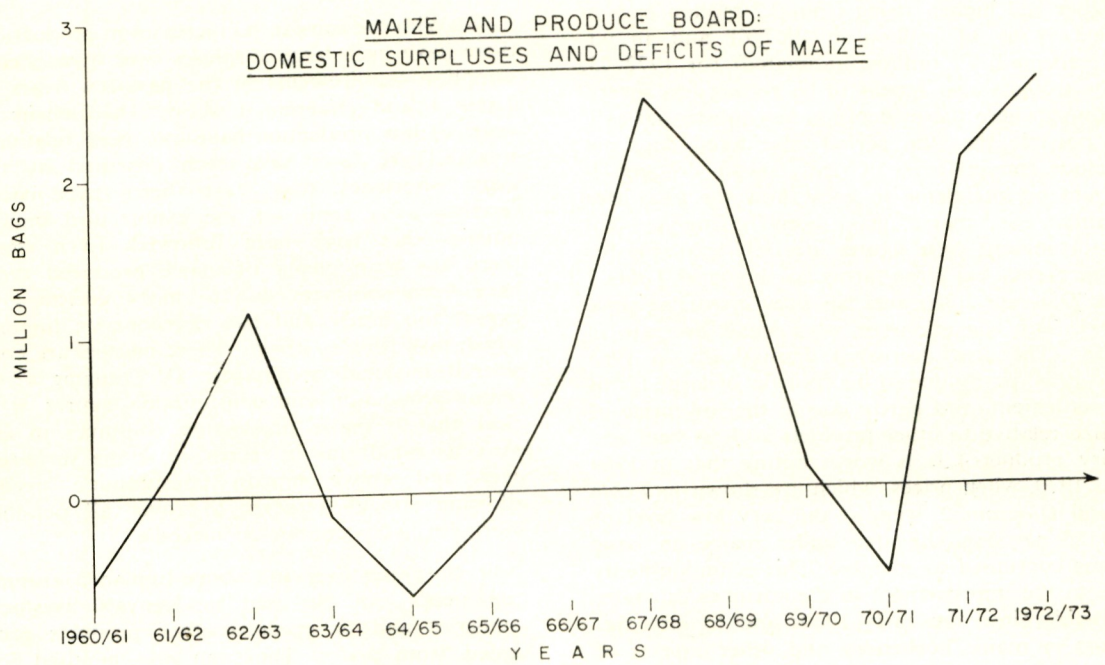
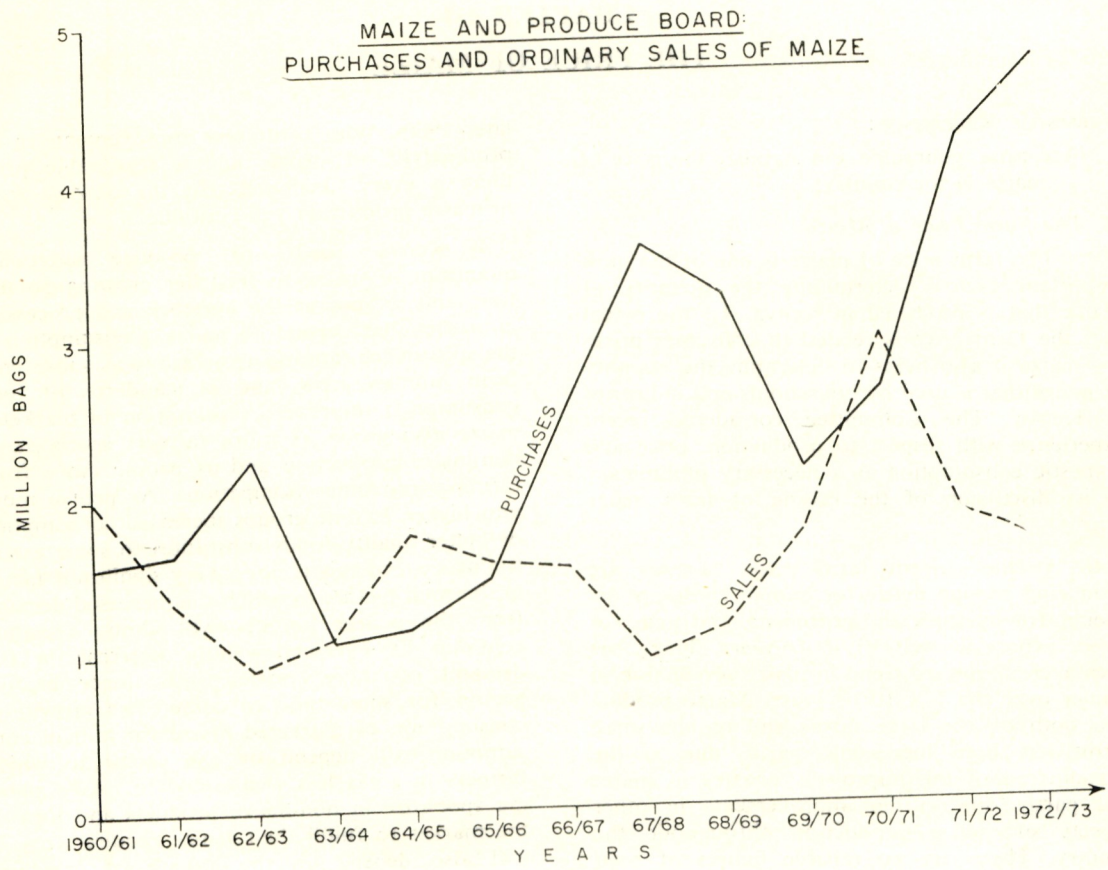


DIAGRAM I

TABLE 1

**MAIZE AND PRODUCE BOARD: DOMESTIC PURCHASES, SALES SURPLUSES/DEFICITS  
1960/61—1970/71<sup>a</sup> (THOUSAND BAGS)**

	Domestic Purchases	DOMESTIC SALES			Storage Loss	Domestic Surpluses (+) Deficits (—)
		General Consumption	Famine Relief	Stock feed		
1960/61 .. ..	1,586	2,003	35	90	6	—548
1961/62 .. ..	1,643	1,352	60	21	15	195
1962/63 .. ..	2,233	918	120	3	10	1,182
1963/64 .. ..	1,073	1,105	19	81	— <sup>b</sup>	—132
1964/65 .. ..	1,170	1,782	— <sup>c</sup>	22	3	—637
1965/66 <sup>d</sup> .. ..	1,474	1,588	— <sup>c</sup>	12	20	—146
1966/67 <sup>e</sup> .. ..	2,509	1,530	—	147 <sup>f</sup>	22	810
1967/68 .. ..	3,582	968	25	86	9	2,494
1968/69 .. ..	3,246	1,146	19	118	1	1,962
1969/70 .. ..	2,152	1,773	18	212	10	139
1970/71 .. ..	2,668	2,946	26	236	10	—550
1971/72 .. ..	4,211	1,564	—	257	17	2,373
1972/73 (est.) ..	4,700	1,680	—	400	24	2,596

SOURCES—Maize Marketing Board Annual Reports 1960/61—1965/66.  
Maize and Produce Board Annual Reports 1966/67—1970/71.  
Maize and Produce Board 1971/72 and 1972/73.

NOTES—<sup>a</sup> Until 1968/69 200 lb. bags. Thereafter 90 kg. bags = 198 lb. Earlier figures have not been adjusted as the difference is so small.

<sup>b</sup> Included in individual totals.

<sup>c</sup> It is not clear whether there were no famine relief sales in these years or whether they were included under “General Consumption”.

<sup>d</sup> 13-month period: 1st August 1965—31st August, 1966.

<sup>e</sup> 11-month period: 1st September 1966—31st July, 1967.

<sup>f</sup> Famine Relief and Stockfeed together.

much stronger than for raw maize. For this reason, it makes sense to convert maize into livestock and other products and export it in these forms rather than exporting it direct. There is a limit to the amount of maize that Kenya's livestock and other processing industries can absorb in the near future. The present allocation of 400,000 bags to the livestock industry appears to be generous. As Table 1 shows, it represents a large increase over previous allocations, and some of the increase has undoubtedly been diverted to other uses, so it may be an inflated figure. *The Committee strongly recommends* that the livestock industries be encouraged to use greater quantities of maize feed. This can be done by guaranteeing the supply of maize feed by ensuring that there are no general shortages of maize, by offering a reasonable and stable price, and by giving the right kind of advice and other support to livestock industries which use maize feed. Nevertheless, the Committee does not envisage a large expansion in the use of maize as feed for livestock in the near future. Figures of the current orders of magnitude are likely to hold for some time.

50. Kenya plans to produce several processed maize products in the near future. These include starch, cornflakes and glucose. There may be others that are worth pursuing, but the total

quantity of maize that is likely to be absorbed in all kinds of processing is relatively small. The projected starch factory is expected to use about 165,000 bags of maize per year; cornflakes 16,500 bags; and glucose 2,000 bags if it goes ahead. *The Committee urges* the Government to investigate all possible alternatives, including maize oil and cellulose, but recognizes that these cannot be expected to absorb large quantities of maize, at least for some time.

51. Any additional maize that is produced has to be exported direct at a price substantially below that which can be obtained on domestic markets, even allowing an element of subsidy to take account of the undervaluation of Kenya's foreign exchange. The export parity price without any subsidy has been estimated at Sh. 22/50 per bag for Western and Sh. 23/60 for Eastern Kenya if bulk handling is introduced. Given the fact that Kenya's export prices are artificially low because foreign exchange is undervalued, the Committee welcomes the statement by the Minister of Finance and Economic Planning in his recent Budget Speech in which he said that the Government intends to introduce a system of reimbursement payments for exports. *The Committee strongly recommends* that maize and other agricultural exports be included. This would lead to an increase of a few shillings per bag and the

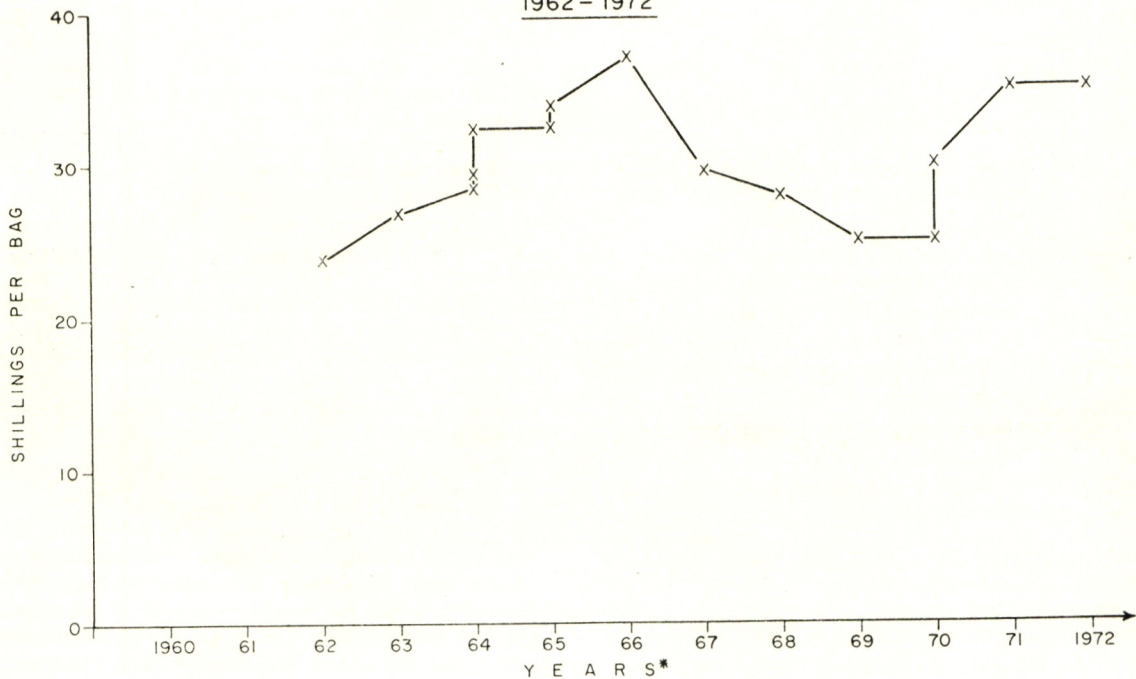


Committee feels that this could make all the difference to the question of whether it is profitable to produce maize for export or not.

52. The Committee feels that Kenya has a choice between producing enough maize to provide a surplus for direct export, and producing enough for her internal markets alone. The choice depends to a large extent on the cost reductions that can be made in the production of maize. Many agricultural industries in many parts of the world have developed through improvements in efficiency which enable them to sell more at lower prices and earn higher farm incomes at the same time. The improvements in efficiency are crucial

in determining whether lower output prices lead to higher farm incomes or not. In many countries improvements in efficiency have been sufficient to achieve this result. There is no reason why this should not happen in Kenya with maize, and the implementation of the Committee's recommendations made in Chapter II would go a long way towards achieving it. The alternative is to accept that Kenya cannot yet produce maize sufficiently cheaply, and to keep maize production down to the amount required for internal uses of all kinds. This would require positive measures to reduce the current level of maize production and to encourage farmers to produce other products instead.

MAIZE AND PRODUCE BOARD:  
PRODUCER PRICES FOR MAIZE  
1962 - 1972



\* Years refer to year in which crop was planted.

LARGE FARM AREA PLANTED TO MAIZE  
1959 - 1972

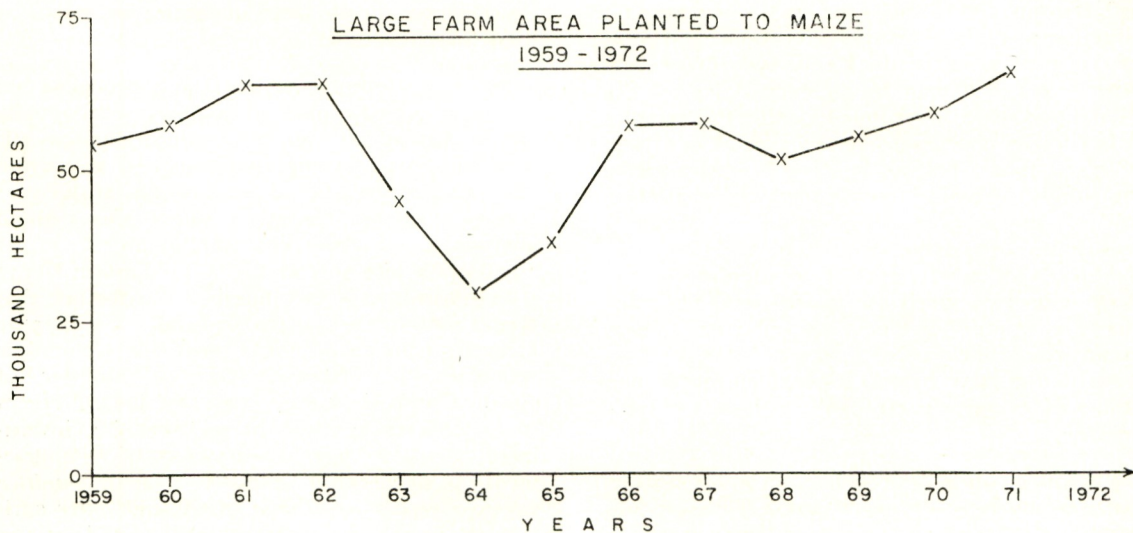


DIAGRAM 2

TABLE 2  
**GUARANTEED PRODUCER PRICE FOR  
 MAIZE 1962-1972**

Year of Planting		Guaranteed Price (Sh. per bag) <sup>a</sup>
1962	.. ..	24.00 <sup>b</sup>
1963	.. ..	27.00 <sup>b</sup>
1964 (i) <sup>c</sup>	.. ..	28.50
1964 (ii)	.. ..	32.50
1964 (iii)	.. ..	29.50
1965 (i) <sup>c</sup>	.. ..	32.50
1965 (ii)	.. ..	34.00
1966	.. ..	37.00
1967	.. ..	29.50
1968	.. ..	28.00
1969	.. ..	25.00
1970 (i) <sup>c</sup>	.. ..	25.00
1970 (ii)	.. ..	30.00
1971	.. ..	35.00
1972	.. ..	35.00

SOURCES—Kenya Gazette.  
 Maize Commission of Inquiry, 1966.

NOTES—<sup>a</sup> For Grade II up to 1964; for Grade I thereafter.

<sup>b</sup> Effective price as the guaranteed price had a different meaning under the old quota system.

<sup>c</sup> The prices for the 1964-planted, 1965-planted and 1970-planted crops were changed during the year, in the 1964 case twice.

### B. Raising the Farm Price of Maize

53. The current farm price of maize is high in the sense that it cannot be financed entirely out of current earnings from the sale of maize. There is a substantial difference between the payout to farmers and the receipts of the Maize and Produce Board from the sale of maize, even if one averages these out over the years and does not charge all of the export loss in a year of favourable natural conditions to one year's crop. The farm price of maize can be increased by a variety of means, but it is important to consider carefully the implications. If the farm price is raised above its present level, this will encourage a greater rate of growth of production than exists currently. It will lead to greater surpluses, and these surpluses will have to be exported at greater losses per bag than previously. There is already a deficit that needs financing. If the farm price is increased, the deficit will be that much greater than the deficit we have at present.

54. The difference between what farmers are paid and what the Maize and Produce Board can get for their maize can be found from three alternative sources. It can be paid by tax-payers through Government subsidies; it can be paid by consumers of maize; or it can be paid by farmers, perhaps in the following year. It can also be paid by some combination of these.

55. Tax-payers can finance part of the deficit in the form of Government subsidies, but apart from the fact that the Government is reluctant to support this, its advisability can be questioned from the farmers' point of view. As far as the farmers are concerned it is income not price that matters. Whether that income comes from maize or other products, or whether it comes from raising the price of maize or reducing the cost of maize production, is irrelevant. Kenya can either encourage more maize production (by subsidizing a higher farm price for maize, or by improving the efficiency of maize production), or she can use the same resources to encourage the production of other products which may increase farm incomes more than maize. Instead of subsidizing the maize price, the Government can spend money on improving the marketing of horticultural products; encouraging beans, njahi (*dolichos lablab*), millet, or other foods; improving the veterinary services available to the livestock industries; and so on. Which of these or other alternatives benefits farmers most is open to question. In the present circumstances, increasing maize production may not be the best alternative even if it is achieved by means other than the subsidizing of the maize price.

56. Consumers of maize can also help to maintain the farm price by paying more for their maize. They are already doing this by paying a higher price for their maize than they would on a free market. At present, consumers pay a price roughly equal to the farm price plus marketing charges, a total of Sh. 45 for a bag of unmilled maize. The marketing charges are unavoidable, although they could be reduced through increasing the efficiency of the marketing system. The sense in which consumers pay a high price is that if the market for maize were free, they would pay the same price as other maize purchasers. It is the difference between the current farm price and the livestock feed or export parity price that constitutes the element of subsidy from consumers to producers. Farmers are able to get a higher price through the Maize and Produce Board being allowed to charge consumers as much as Sh. 45.

57. Having considered carefully all the above arguments, the Committee decided to recommend that the maize price be raised a little above its present level. The Committee considers that the element of Government subsidy required to maintain this price is justified by the need to ensure adequate supplies in all circumstances which necessitates a level of reserves higher than at present. (The level of reserves is discussed in detail in the next chapter). It also considers it necessary to ensure ample supplies during the transition to a free internal market in maize,

which is recommended in Chapter IV. The Committee therefore recommends an initial ceiling price of Sh. 40 and an initial floor price of Sh. 35, the range being a necessary part of the free internal market recommendations (see Chapter IV, paras. 94-101), and the stabilization recommendations (see paras. 65-68 below). The Committee re-emphasizes the crucial connexion between maize prices and the prices of inputs used in producing maize, and recommends that any future adjustments to the maize price take these fully into account.

C. Geographical Differences in the Price of Maize

58. As the Committee had anticipated, nearly all the farmers who gave evidence felt that the current maize price should either be raised or remain where it is. In every district the Committee heard evidence to the effect that the district's maize production should be increased, and that a rise in the farm price of maize would achieve this. In some districts the costs of production that were quoted were extremely high, and

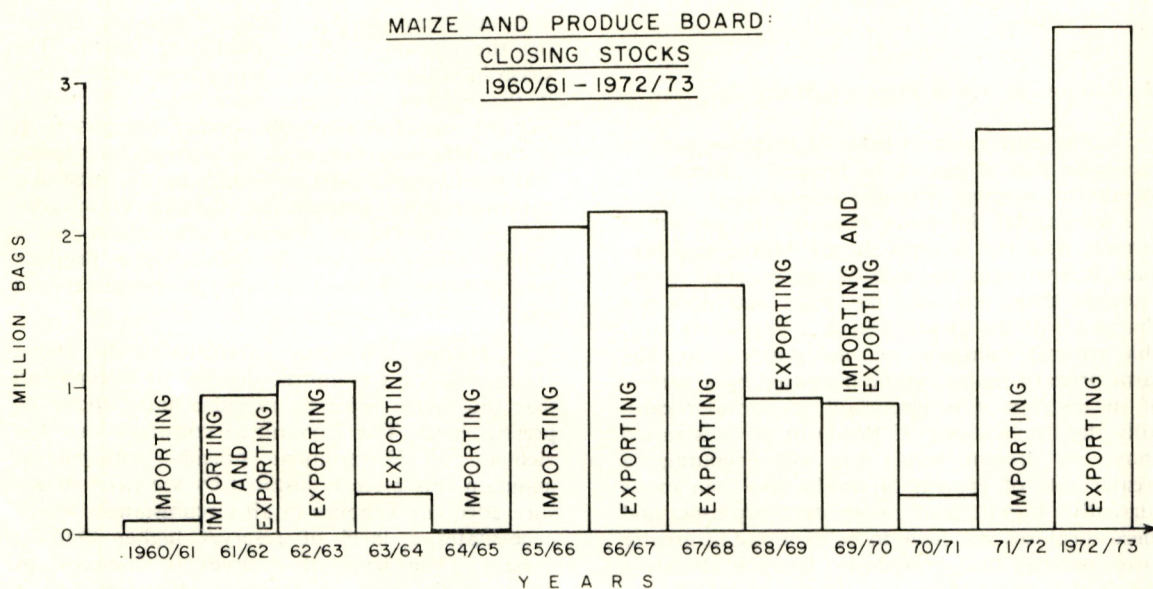
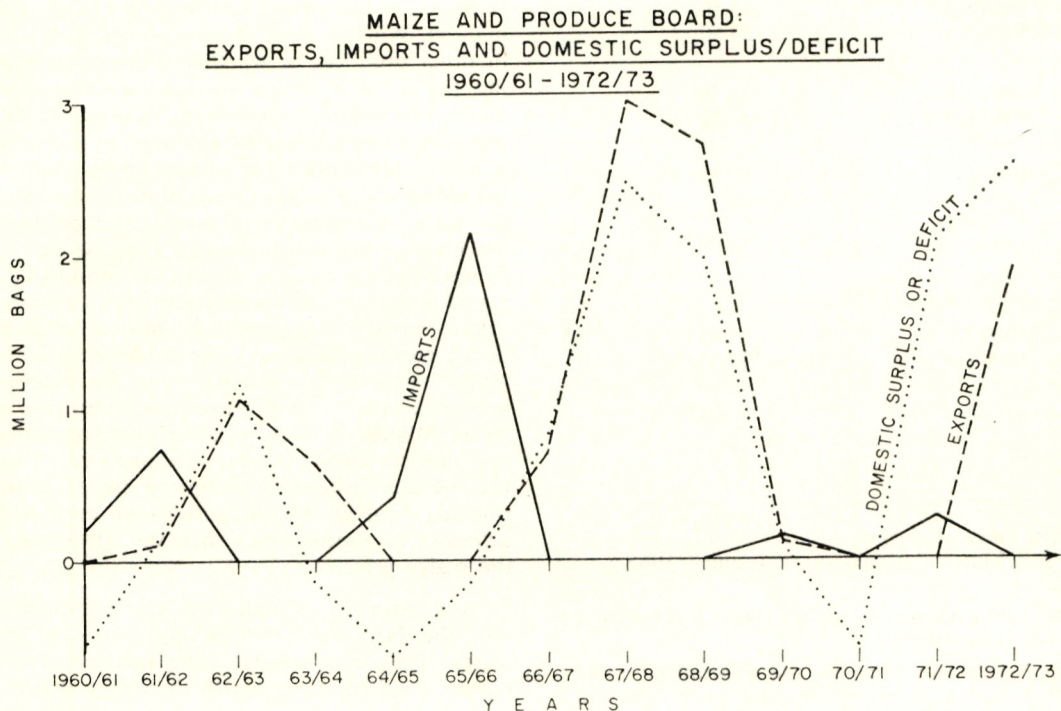


DIAGRAM 3

the price at which farmers felt that they could grow maize was therefore high. In other districts, costs of production appeared to be comparatively low, and the price at which farmers felt that they could grow maize was accordingly lower. Costs of production will always vary from area to area (and from farm to farm), and the Committee feels that these costs of production should be important factors in determining where the bulk of Kenya's maize is grown. If all districts were to increase their maize production, the market would be flooded. What is needed is more maize at a reasonable price, so that more can be sold, and this can be achieved by encouraging maize production in areas well suited to maize growing and discouraging it in areas which could be earning more from other products.

59. Under the present marketing system, the Committee feels that an inefficient pattern of production is being encouraged. Farmers in the best maize producing districts face a considerably lower price than farmers in poor maize producing districts in which there are shortages. Farmers in districts that are poor for maize are encouraged to grow maize because the price at which they can sell maize within their districts is so high. The price at which they have to buy if they themselves run short is also high. Examples of such districts are Machakos, Kitui and Kwale. On the other hand, farmers in the districts in which a lot of maize is produced have to accept the low Maize and Produce Board buying price at all times. Examples of these districts are Kitale, Uasin Gishu and Bungoma. Thus, in areas well suited to maize production there is much less of an incentive to grow maize than in areas in which maize does poorly.

TABLE 3

AREA UNDER MAIZE ON LARGE FARMS  
1959—71 (thousand hectares)

	Area Under Maize	Total Area	% Total Area Under Maize
1959 ..	54.5	3,115	1.75
1960 ..	57.6	3,130	1.84
1961 ..	64.1	3,140	2.04
1962 ..	64.5	3,117	2.07
1963 ..	45.3	2,962	1.53
1964 ..	30.2	2,751	1.10
1965 ..	38.9 <sup>a</sup>	2,740	1.42
1966 ..	57.3	2,642	2.17
1967 ..	57.6	2,698	2.13
1968 ..	51.6	2,653	1.95
1969 ..	55.8	2,653	2.10
1970 ..	59.3	2,689	2.21
1971 ..	66.3	2,681	2.47

SOURCE—Statistical Abstracts, 1964, 1968, 1972.

NOTE—<sup>a</sup> This figure has been wrongly entered in recent years as 3.9. Earlier Statistical Abstracts have the more likely figures of 38.9.

60. *The Committee recommends* the elimination of the gross differentials through freeing the internal market for maize (which is discussed fully in Chapter IV). Farmers in the poor maize growing areas will then produce more of other products, knowing that they can buy maize at a reasonable price whenever they need it, and that they can make more money by producing other products instead. Farmers in the areas well suited to maize production will be able to sell more maize internally without having to export. This will represent a substantial increase in the efficiency of the maize industry, and it will have repercussions for other agricultural products as well. It will be necessary to give special encouragement and assistance to farmers moving out of maize growing, who will need advice on alternative products and additional services, such as marketing and research, related to the expansion of alternatives. *The Committee recommends* that the Government make adequate provision for this special assistance.

#### D. Guaranteeing the Price of Maize

61. Officially the Government already guarantees the price of maize each year, but in practice the guarantee operates very inadequately. Farmers cannot always sell their maize at the guaranteed price, as for example this year when the Maize and Produce Board had insufficient storage and transport facilities to be able to receive all maize. The Committee recommends measures to ensure that the Board can always receive maize, and these are considered more fully in Chapter IV.

62. The Committee found that the guaranteed price is usually announced too late for farmers to adjust their planting plans. By the time the announcement is made, farmers have already made their planting plans. *It therefore recommends* the early announcement of the guaranteed prices (which will now be a range), in June of the previous year, so that farmers can plan in the light of the guaranteed price range for the year ahead. *The Committee further recommends* that it be changed as seldom as possible to avoid unnecessary disturbances such as those experienced in the 1960s.

63. The Committee also heard that the implementation of the guaranteed price is sometimes inequitable, farmers harvesting early getting a different price from farmers harvesting late. *The Committee recommends* that the system be implemented equitably for each crop season, as it is supposed to be, and not geared to arbitrary dates which fall within the season in some areas.

64. The Committee is concerned about the fact that in practice very different prices are available to different farmers. As already mentioned, farmers in shortage districts get higher prices than farmers in areas of surplus; farmers with access to maize movement permits are also able to take advantage of higher prices by moving their maize across district boundaries into shortage areas; and large numbers of farmers are able to take advantage of black market and smuggling operations and their resultant higher prices. This is a matter of great concern to the

**MAIZE AND PRODUCE BOARD: DOMESTIC SURPLUS/DEFICIT IMPORTS, EXPORTS,  
STOCKS AND STOCK CHANGES 1960/61—1970/71 (thousand bags)<sup>a</sup>**

	Domestic Surplus (+) Deficit(—)	Imports	Exports	Opening Stocks	Closing Stocks	Change in Stocks
1960/61 .. ..	—548	201	3	446	98	—348
1961/62 .. ..	195	723	101	98	916	818
1962/63 .. ..	1,182	0	1,076	916	1,022	106
1963/64 .. ..	—132	0	622	1,022	268	—754
1964/65 .. ..	—637	405	13	268	24	—244
1965/66 <sup>b</sup> .. ..	—146	2,149	0	24	2,027	2,003
1966/67 <sup>c</sup> .. ..	810	0	703	2,027	2,133	43
1967/68 .. ..	2,494	0	2,988	2,133	1,639	—494
1968/69 .. ..	1,962	0	2,715	1,639	884 <sup>d</sup>	—755
1969/70 .. ..	139	153	143	648 <sup>d</sup>	796	148
1970/71 .. ..	—550	0	0	796	246	—550
1971/72 .. ..	2,102	298	0	246	2,636	2,390
1972/73 (est.) .. ..	2,578	0	1,912	2,636	3,302	666

SOURCES—Maize Marketing Board Annual Reports 1960/61—1965/66.  
Maize and Produce Board Annual Reports 1966/67—1970/71.  
Maize and Produce Board, 1971/72 and 1972/73.

NOTES—<sup>a</sup> Until 1968/69 200 lb. bags. Thereafter 90 kg. bags = 198 lb. Earlier figures have not been adjusted as the difference is so small.

<sup>b</sup> 13-month period: 1st August 1965—31st August, 1966.

<sup>c</sup> 11-month period: 1st September 1966—31st July, 1967

<sup>d</sup> The closing stock in the old Maize Export, Stockfeed and Famine Relief Sales Operating Account 1968/69 does not appear to be accounted for in the 1969/70 opening stock. Hence the discrepancy of 236 thousand bags.

Committee. Figures of Sh. 60, Sh. 80 and even Sh. 100 per bag were quoted quite frequently in the evidence for privileged groups of farmers with special access to localized markets for maize. *The Committee strongly recommends* that these large differences in prices available to maize producers be eliminated. It is difficult for farmers to plan when there is so much uncertainty about the price they are going to get. It is demoralizing for farmers who get low prices to see others getting much greater returns for less effort. Many of the differences will disappear when there is a free internal market for maize. Until the internal market is freed, *the Committee recommends* strong alternative action to eliminate such differences.

#### *E. Stabilizing the Price of Maize*

65. Since the policy of gradually reducing the maize price to export parity levels was abandoned in 1970, there has been no consistent long-run maize price policy. Maize prices have been set in response to short-run conditions, the current year's price usually reflecting the previous year's experience which is quite inappropriate. The familiar syndrome is: a drought and a national shortage produces a panic reaction and a rise in price for the following year; in the following year, natural conditions return to normal and this,

together with the rise in price, produces a surplus; the surplus has to be exported at considerable loss and pressure builds up for a reduction in price "to make farmers pay for the losses they have incurred"; low prices then continue until the next drought pushes them up again. *The Committee strongly recommends* a firm long-run policy so that pressures for short-run reactions to previous year's conditions can be firmly resisted.

66. The Committee heard evidence in support of a policy of price stabilization. But it also considered the question of whether a price stabilization policy is really what is wanted. The Committee considered the argument that for farmers it is *income* rather than *price* that needs to be stabilized, and that for crops such as maize that are marketed primarily on the domestic market, *price variations* can contribute to *income stabilization* rather than the opposite. When natural conditions are adverse and yields are low, a national shortage drives the price up to offset the yield reduction. When natural conditions are favourable and yields are high, a national surplus drives the price down. In this way, price variations help to *reduce* the variations in income that are accentuated if the price is stabilized.

67. For consumers, price variations are unwelcome. In urban areas, temporarily high maize prices are not offset by any change in income, and in rural areas the situation is even worse as high

maize prices coincide with particularly low incomes because the yields of other products are also low. For consumers, the Committee feels that it is necessary to have some degree of price stabilization.

68. It is possible to operate a policy whereby consumer prices are stabilized and farm prices are allowed to fluctuate in the opposite direction from yields, if full control of the internal market is maintained. The Committee did not consider this possibility at any length because it recommends the freeing of the internal market. When the internal market is freed, consumer and producer prices must move together: it is not possible to separate the two. *The Committee therefore*

*recommends* that prices be allowed to fluctuate within a limited range, set initially at Sh. 35 to Sh. 40. This will offset yield variations on the farms to some extent, and at the same time it will ensure that consumer prices do not vary outside the narrow range. The advantage of some consumer price variation is that it helps to increase maize consumption in times of surplus, and to reduce maize consumption in times of shortage, but in Kenya, given the position of maize in the diet, this effect is limited. For processing industries, and livestock, the Board could guarantee a completely stable price or it could allow the same measure of fluctuation as for other consumers, depending on the importance of stability for these industries.

## CHAPTER IV

## THE MARKETING OF MAIZE

## TERMS OF REFERENCE:

(c) to look into the question of proper storage, marketing and distribution of maize-meal throughout the country;

69. The Committee has interpreted this section of its terms of reference to include all maize, not just maize-meal.

*A. Storage*

70. There are many different stages at which maize needs to be stored between the time it is harvested and the time it is consumed. It is stored on the farm before delivery to the Maize and Produce Board or its agents; it is stored by agents; it is stored at the point of collection; and again between the point of collection and the point of sale for final use. Storage provides the opportunity to move maize in bulk at a convenient time. It also provides for the difference between harvesting patterns and consumption patterns, both during the year and between years. The Committee found many storage problems at different stages of the maize marketing process.

71. The Committee feels it important to stress the connexion between storage, transport and the management of stocks. Storage facilities may be adequate if transport is available easily for quick movement, but more storage may be required if there are likely to be transport delays. Similarly decisions about which stocks of maize to move when, and where, are crucial to the adequacy of storage. What appears to be a problem of insufficient storage capacity may in reality be a stock management problem. For example, the fact that Western Kenya stores were full when the last crop was ready towards the end of 1972 could be attributed to poor management, stocks not being moved out to make room for the new crop. This as much as inadequate storage capacity could have been to blame.

72. The Committee recognizes that the provision of storage facilities is costly, and that the cost of additional storage facilities for the normal handling of the crop will have to be borne by the maize industry. But there is another type of storage required for the "strategic reserve", which is a national responsibility. The strategic reserve is a reserve of maize that is separated from normal stocks, and cannot be used for the same purposes as normal stocks. It cannot be used to accommodate temporary shortages or lags in the normal distribution system for which substantial quantities of stocks are also required. Strategic reserve storage is available in Kenya in the form of cypress bins at present. It is these facilities that should be a national responsibility and not a responsibility of the maize industry alone. Yet, maize producers were charged Sh. 4/50 per bag of maize to finance the construction of these cypress bins. The Committee feels that this was quite wrong, and it recommends that farmers be reimbursed, either directly, or in the form of an additional subsidy given as compensation.

73. The Committee considered these two types of storage separately. First it considered the adequacy of the regular storage network in handling the distribution of maize from where it is harvested to where it is finally consumed. Secondly, the Committee considered the adequacy of the storage facilities for the strategic reserve. It was put to the Committee that it is a waste to duplicate stocks and storage facilities by maintaining the separation. The Committee considered this argument and came to the conclusion that the separation is necessary so that a clear separation of responsibilities can be maintained, and possible conflicts between the two purposes for which stocks are required can be eliminated.

74. In considering the adequacy of the regular storage network for normal distribution purposes, the Committee included all storage facilities, not only those provided by the Maize and Produce Board. The Committee heard of problems with storage on the farms. The difficulties farmers in Western Kenya have been facing due to the Maize and Produce Board's inability to receive their crop this year are well known, but this is not the only time this has happened. Farmers have difficulty storing maize on their farms partly because they do not have sufficient capacity but also due to technical problems in controlling storage losses. Farmers feel that chemicals available against weevil infestation and other pests affecting maize in the stores are almost completely ineffective. The Committee heard of farmers not being able to move maize from their fields to prepare land for the next crop. It also heard of farmers experiencing substantial losses in storage. The Committee feels that it is not wrong for farmers to have to store maize on their farms. Indeed, this is something that should be encouraged. But farmers need assistance if they are to do this effectively. The Committee recommends assistance to farmers in the form of loans for additional storage facilities, technical, advice on the type of storage most suitable for their needs, and technical advice and support to enable them to keep losses to reasonable levels. In particular *the Committee recommends* research to get more effective chemicals to combat weevil infestation and other pests. *The Committee also recommends* that farmers be given a price incentive to make storage worthwhile.

75. The Committee is concerned that the present system of holding the guaranteed price fixed throughout the year discourages flexibility in the storage system. People other than the Maize and Produce Board have little incentive to store maize. The only people other than the Board who find it worthwhile are farmers and traders in districts in which there are shortages during the year, and farmers and traders operating on the black market. These people have incentives to hold stocks until the price they can get for their maize rises to reward them for doing so. Farmers and agents dealing with the Maize and Produce Board including the KFA, have no such incentive

because the price they can get does not change during the year. As long as the present system continues, *the Committee recommends* that in times of surplus the Maize and Produce Board pay bonuses to people who deliver late, so that there is an incentive to farmers and agents to store maize. The Maize and Produce Board would augment its capacity in this way, and it might be that farmers and agents could store more cheaply than the Board itself, especially if provided with technical advice and support to help them to perform this function efficiently. This would also pave the way for the freeing of the internal market.

76. *The Committee recommends* that the Maize and Produce Board offer bonuses for maize of a specified quality delivered after particular dates, rather than getting farmers to store on its behalf as at present. The advantage of simply offering a bonus for maize delivered late would be that the Maize and Produce Board would not have to take possession of the maize until it was delivered, and they would not have to keep inspecting the maize because it would not be maize stored on their behalf. Instead, *farmers* would take the risk of storage losses and deterioration *and they would be suitably rewarded for doing this*. The bonus would have to take account of the risk farmers were taking in this respect. *The Committee recommends* that farmers be provided with technical advice on weevils and other storage problems; that technical solutions to the problem of weevil infestation be found; and that farmers be allowed to store only if they want to. *The Committee recommends* the provision of credit facilities for farmers who need them to hold the crop and some insurance scheme so that farmers could insure their stocks in store. What will then happen is that farmers and agents who can store cheaply and well will find it to their advantage to do so. Others who cannot do it efficiently will let the Maize and Produce Board or traders store their maize instead.

77. With a free internal market for maize, storage incentives will automatically be provided. Prices will rise to reward storage and incentives will emerge encouraging those who can do so cheaply to store. The above recommendations apply until the free market is introduced and they are intended to encourage the early provision of storage facilities that will be required as part of the free market system anyway.

78. Farmers complained a great deal about the location of storage facilities. In some areas farmers have to get their maize transported long distances to Maize and Produce Board stores. Others complained that inadequate storage facilities are available in consuming areas. The Committee feels that every producing and consuming district should have storage facilities, but it is also concerned that these should not involve too great a cost for producers and consumers to bear. The location of storage facilities is a complex matter in which the economies of scale of the larger operations, access to consumers, and access to producers have all to be balanced. There is undoubtedly a need for a somewhat more equitable system of storage than exists at present. If traders

and farmers are encouraged to perform more storage functions, as recommended, this will solve the problem. Storage facilities will be much more decentralized; they will be available in smaller units and more widely spread.

79. The Committee next considered the adequacy of the strategic reserve. The strategic reserve is sealed into storage bins for up to 3 years in Kenya at present. Bins to hold 1 million bags of maize were constructed, but the Committee understands that these bins have deteriorated to such an extent that only 85 per cent of capacity is at all usable at present. The Committee was told that various technical alternatives were under study by a Government Working Party, and that following this study some decision would be made about action that should be taken. The Committee is extremely concerned at the waste of money in constructing bins that have deteriorated so quickly and it hopes that the Working Party Report will provide the basis for sound decisions on action now to be taken in this matter. The Committee re-emphasizes that the financing of such strategic reserve facilities is the responsibility of the Government.

80. To hold substantial stocks of maize in reserve is extremely costly. Money is tied up in maize that has been purchased but not sold, and this is reflected in interest paid on money borrowed for the purpose. There is also the cost of keeping the maize in good condition and the cost of the storage facilities. These storage costs per bag year amount to between Sh. 7 and Sh. 10, including the annual cost of the storage facilities. The money tied up in 1 million bags of maize is about Sh. 20 million, valuing it at the export price because it is maize that would otherwise have been exported. (It was suggested in the evidence that this maize should be valued at its financial cost to the Board, namely about Sh. 45, but the Committee does not accept this).

81. The reasons for holding substantial reserves are *at the least* to tide Kenya over a period of shortage that might result from a time-lag between the decision to import and the arrival of the imports, and *at the most* to provide for all shortages without having to import at all. The Committee feels that Kenya should never import at all. The shortfalls that Kenya has experienced over the last decade have been 915,000 bags over the three years 1963/64-1965/66, and 550,000 bags in 1970/71, although given the extent to which consumption was held down during the shortages these should be taken as conservative estimates. Storing 1 million bags for up to 3 years would have met Kenya's needs in the last decade, without having to import at all. Now, consumption is higher and it will continue to grow, and the production shortfalls are somewhat less severe, but not markedly. The Committee urges the Government to weigh carefully the cost of holding reserves against the high cost of importing in extreme situations and against the very high cost of national shortages. *The Committee recommends* that the current level of 1 million bags in a strategic reserve be increased to 2 million forthwith, it being important to err on the generous side in this matter, and not to repeat recent



experiences of extreme shortages and famine. As consumption increases it may be necessary to increase this figure if production shortfalls in adverse conditions continue at their present level.

82. The Committee is seriously concerned about the way in which the national stocks of maize are being managed, and it is this concern which underlines the recommendation to err on the generous side with the strategic reserve, knowing the implications of poor stock management for the national food position. In 1970/71, the decision to import came so late that the nation experienced a prolonged period of extreme shortage. When the small consignment of imports finally arrived the new crop had already been delivered and the shortages had come to an end. In 1972, the decision to export part of the 1971/72 crop came so late that much of the bumper 1973/74 crop could not be delivered at all, the stores still being full. Earlier, the fact that stocks were run down so much in 1969 eventually led to the shortage accompanying the drought in 1971. And so it goes on. The figures can be seen in *Table 4* and *Diagram 3*, but they do not tell the full story because the crucial decisions within years are obscured in the yearly totals. It is the mismanagement of stocks, the haphazard import and export policies, that have been responsible for extreme national shortages at times when Kenya has been producing plenty of maize. Kenya only needs to store for 1-3 years to even out the shortages of the drought years. It is a waste of national resources to keep a strategic reserve and then not use it properly. Yet this is what is happening in Kenya due to the lack of a definite policy and poor decisions on the part of those responsible for imports and exports of maize.

### B. Marketing

83. Marketing involves a whole range of operations including storage and distribution which are considered under separate headings. The efficiency with which marketing operations are performed is crucial to the development of the maize industry. Indeed, the Committee considers it as important as the efficiency of production in determining the future of the maize industry. Several different aspects of the marketing system are discussed below: handling; transport; drying; the supply of bags; the issue of movement permits; the control of movement; the freeing of the internal market for maize; the control of feed maize; and controls over the movement of green maize.

84. *Handling*: the Committee heard sufficient evidence to be convinced that Kenya's methods of handling maize are old-fashioned and inefficient. They appear to have remained virtually unchanged for several decades, when the development of new techniques in this field has been very rapid. Lorries are having to wait for as much as 3 days to unload. There are allegations of corruption as a result: bribes are being offered to speed up unloading in particular cases. The Committee understands that plans are already in hand to improve the handling at collection

centres. The Committee was told that weigh bridges are to be installed so that maize can be weighed on lorries and the unloading can be speeded up in this way. But the Committee heard that there was no intention of going over to bulk handling at this level, as is now the case for wheat. The Committee welcomes the decisions to improve handling, and recommends that serious consideration still be given to the possibility of bulk handling from farms to collection centres. *The Committee also recommends serious measures to penalize those involved in corruption while the difficulties continue.*

85. The Committee understands that there is a Government Working Party studying bulk handling for export at present, and that queries have been raised as to Kenya's ability to produce enough for export to make the bulk handling facilities proposed for Mombasa worthwhile. The Committee hopes that the Working Party will give this question the attention it deserves to do all that is possible to raise the export-parity price.

86. *Transport*: farmers are having serious problems in getting transport to take their maize to collection centres, because lorries are held up at the collection centres for so long. It is unfair that transporters should not be compensated for this as long as it lasts, and it is a gross waste of transport facilities that it should happen at all. *The Committee urges the speedy implementation of the measures planned to remedy the situation, and it strongly recommends that a system of compensation for waiting be instituted meanwhile.*

87. There are also problems in moving maize from Western Kenya to Nairobi and Mombasa. The Maize and Produce Board say that they have difficulty in getting railway wagons to move maize down to Nairobi and Mombasa. The millers have similar complaints which are mentioned in the next section on distribution. But the East African Railways Corporation (EARC) officials say that the Maize and Produce Board holds wagons for too long because of inadequate storage, and that if the Maize and Produce Board could move more maize between June and December there would be no problem. There is an acute shortage of wagons from January to June. The EARC officials also complain that they have to collect maize from too many points instead of getting maize bulked at the major railheads to economize on railway capacity. The Committee feels that these conflicts are serious and it recommends that the two parties discuss them to establish a better working relationship. *The Committee also recommends that the EARC consider offering concessionary rates for June to December to encourage the Maize and Produce Board and others to use their facilities at this time of year. The Committee recommends that the EARC charge more for wagons kept unduly long before unloading to encourage the Maize and Produce Board not to use them as temporary stores.*

88. *Drying*: It is clear that maize drying is a serious problem to many farmers at present. Time and again the Committee heard evidence to this effect. Farmers take their maize to the collection centre only to find it rejected and they have to

bear the cost of transporting it back to the farm, waiting until it is dry, and then transporting it back to the collection centres again. There were allegations of corruption here. It was alleged that Maize and Produce Board officials would accept wet maize if they were bribed, or from certain people. The same consignment of maize rejected from a farmer was said to be accepted from a trader, for example. The Committee feels, as with storage, that farmers should be encouraged to dry maize themselves if they can do so cheaply, but the Maize and Produce Board should also be prepared to dry maize for a fee. The Committee was told that the Maize and Produce Board has 2 dryers at present, and that it will shortly be buying as many as needed. The Committee welcomes this decision, and recommends that farmers making use of Maize and Produce Board drying facilities be charged according to the moisture content of their maize. Those who can dry their own maize cheaply will then be encouraged to do so, knowing that they can get a slightly higher price for dry maize. This recommendation however, leaves room for unfair practices on the part of Maize and Produce Board officials in deciding whether to accept maize as "dry" or "wet", and in deciding how much drying is needed for particular consignments of maize. *The Committee therefore recommends* that the Ministry of Agriculture makes its officers available to counter-check moisture content whenever a farmer feels that he has not been fairly treated in this respect. *It also recommends* that the Ministry of Agriculture be prepared to measure the moisture content of maize on farms, particularly those that are far away from Maize and Produce Board depots. With the freeing of the internal market for maize, as farmers deal more with traders and less with the Maize and Produce Board, this service will be just as necessary to guard against similar unfair practices on the part of traders.

89. It was suggested to the Committee that wet maize should be accepted by the Maize and Produce Board and passed straight on to consumers such as the millers who use their maize wet. The Committee does not think this is justified unless the wet maize is accepted at a lower price. However, the Maize and Produce Board could accept wet maize at a lower price and then decide whether to offer it to millers at a concessionary rate for immediate use, or whether to dry it before sale. The same could apply to traders in a free market.

90. *The Supply of Bags*: there have been several occasions recently when farmers have not been able to get gunny bags to hold their maize. This provides opportunities for corruption and *the Committee strongly recommends* better planning to ensure that such shortages are avoided in future.

91. *The Issue of Movement Permits*: without a movement permit it is illegal to move more than 10 bags of maize within a district, or 2 bags of maize outside a district. The possession of a movement permit, waiving these regulations, can be extremely valuable as it enables people in surplus areas to take advantage of shortage prices

without having to go through the Maize and Produce Board. Movement permits are legal only if issued by the Maize and Produce Board. There were many complaints both about pressure exerted on the Maize and Produce Board to issue permits to particular people, and about the illegal issue of maize movement permits by authorities other than the Board. Given their value, these movement permits provide potential sources of patronage and corruption on a large scale. The Committee was disturbed to hear complaints giving rise to suspicions that they are indeed being used in this way.

92. *The Committee recommends* that authorities other than the Maize and Produce Board be prevented from issuing maize movement permits, recognizing that strong measures will be needed at the highest level to achieve this. It also feels that the Maize and Produce Board needs to be protected from pressures to issue permits that it does not feel are justified. *It recommends* a formal system of approval to help in achieving this, but its most important recommendation to remedy this situation is the freeing of the internal market which is discussed below. The uncontrolled issue of movement permits obviously plays havoc with the controlled maize market; it is grossly inequitable; and it encourages production inefficiencies.

93. *The Control of Movement*: the Committee was alarmed by the extent of black market operations and smuggling suggested by the evidence. It is clear that the system of control has also broken down in this respect in many places. In the circumstances, either the whole attempt to control the internal market should be abandoned, or some efforts should be made to tighten the system of policing maize movement. Given the high cost of such policing, the Committee feels that there is a strong case for decontrol here again, although this would not help solve the smuggling problem for which tighter policing appears to be the only answer. It would help considerably if the maize market were organized on an East African basis but the Committee does not consider this feasible at present.

94. *Freeing the Internal Market for Maize*: there are many developing countries in Africa and elsewhere in which a highly competitive free market moves essential foods over long distances with a great deal of efficiency. A free internal market can work efficiently and well, especially if the product concerned is always in adequate supply as is envisaged in future for Kenya's maize. A free market provides opportunities for produce traders, who are usually small entrepreneurs, to use their initiative and skill to develop a high degree of proficiency in produce marketing. In Kenya, it would provide the opportunity for traders to do a better job free from harassment and free from the bureaucratic requirements of the present system. They would develop a high degree of skill in seeking out market opportunities, in moving maize quickly and efficiently from areas of surplus to areas of shortage, and in storing maize through the year to provide for consumption requirements. These increased opportunities for traders could in them-

selves be a valuable asset to the development of enterprise in the whole economy. The Committee considers that Kenya has now reached the stage where she can enter with confidence into a free internal marketing system for maize, in which maize would move more flexibly and efficiently than at present.

95. The Committee found evidence of considerable confusion as to how a free internal market would work, and it therefore considered it necessary to outline the detailed working of such a system. In doing so, the Committee was guided by the report of the 1969 Government Working Party which studied "The Maize and Produce Board in Relation to the Expected Crop Production in the 1970s, and in Particular with regard to the Major Cereal Crops". In this report the working of a free internal market for maize was set out in some detail. In a free internal market for maize, the Maize and Produce Board would hold stocks, importing and exporting where necessary to maintain these stocks, and the Board would act as a major buyer and seller on the free internal market, so that it could retain control over the free market price. The Board could fulfil its role through auctions in Nairobi, or through auctions in major centres throughout Kenya, or even through sales and purchases in each district in Kenya.

96. Anyone would then be free to buy maize, sell maize, transport maize, store maize, etc., anywhere in Kenya. Kitale farmers could sell to traders who would take the maize to wherever they could get the best price, or the farmers could take the maize and sell it directly themselves. Kitui traders could go to Kitale to get maize for Kitui. Some people would buy maize, store it, and wait until the price got a bit higher as the harvest got further away. The only thing people would be prohibited from doing would be importing and exporting.

97. There would be small price variations between different parts of the country, reflecting the cost of transporting the maize from where it was produced to where it was consumed. There would also be small price variations over the year to reward people for storing maize after harvest until it was required for consumption. Any other price variations, or any unduly large variations for these purposes, would be prevented by the Maize and Produce Board selling or buying maize. The Maize and Produce Board would announce the range of variation allowed, and then it would undertake to intervene whenever and wherever the price went outside the range. Thus, for example, there would be a price ceiling, which the Committee has recommended initially as Sh. 40 per bag, and when the price rose to this ceiling the Maize and Produce Board would release stocks to stop the price from rising any further. If the shortage that was responsible for the rise in price were reduced by the Maize and Produce Board releasing large quantities on to the market, the price would stop rising. Similarly, if the price fell to the floor price, Sh. 35 per bag under the Committee's recommendations, the lowest allowed, the Maize and Produce Board would start buying large quantities from the

market to make sure that the price did not fall any further. In this way, the Maize and Produce Board would keep firm control of the price within a specified range.

98. The Maize and Produce Board would also have a specific responsibility for holding the strategic reserve and ensuring that stocks of maize in the country were adequate to prevent any shortages arising. This would be a major responsibility and a very important one.

99. Under a free internal market, consumers would buy from farmers, or traders charging a small trading margin, and the consumer price would be much nearer to the farm price than it is at present. The effect of this would probably be that some farmers would stop producing maize and buy maize instead, knowing that they could always get it at a reasonable price, and others would increase their production knowing that they could get a fair price and a sure market for their maize. More maize would probably be consumed in the urban areas too if the consumer price were reduced in this way.

100. The Committee's recommendation for a free internal market in maize is strongly influenced by the difficulties and the costs of retaining the current system of control. As mentioned above, the current system is breaking down in a number of places, leading to inequities of all sorts. Even if it were operating smoothly, it contains elements of unfairness within it. To avoid the problems of the issue of movement permits; the control of movement; the fact that incentives to producers in areas that are poor for maize are greater than those to producers in areas that are good; the Committee has recommended a free internal market. The freeing of the internal market would also take care of many of the storage problems. The Committee considers that the case for a free internal market is extremely strong, and it urges the Government to institute it as soon as possible, as it is the Government's stated intention to do so.

101. *The Committee recommends* that the Government introduces a free internal market for maize as soon as it has worked out a definite policy to ensure that national stocks are sufficient, and to ensure that the Maize and Produce Board can operate according to well-defined rules. These two elements are vital to the success of such an arrangement. The Committee has recommended that the price at which the Maize and Produce Board stabilizes the internal market be a little above the current producer price initially, minimum Sh. 35 and maximum Sh. 40 per bag, to ensure a smooth transfer, and to avoid drastic changes that may be damaging to the development of the industry. Once the free market is running smoothly, the Maize and Produce Board could begin letting the price change a little, depending on whether it was always accumulating stocks or always ending up with too little. *The Committee therefore recommends* that the Government undertakes to underwrite possible abnormal losses of the Maize and Produce Board in the transitional period, in the interests of establishing a sound marketing system for maize

in the future. After the transitional period the Government would simply undertake to finance the keeping of adequate stocks as a strategic reserve. The costs of the Maize and Produce Board would be financed through the difference between the floor and the ceiling price on the free market. The Maize and Produce Board would always be buying at the floor price and selling at the ceiling price, making some profit between the two.

102. *The Control of Feed Maize*: as long as the price of maize for feed is substantially lower than the price of maize for human consumption, it will be difficult to ensure that maize sold at the lower price is indeed used for food. Some of the maize being sold for feed at present is obviously being used for human consumption. The Committee was impressed by the difficulties of preventing this. The suggestion of introducing a blue dye into maize for feed is a sound one and the Committee recommends that this be pursued. It understands that there are still some technical problems, but it hopes that these can be overcome. An alternative that has been suggested is to get yellow maize grown more extensively for feed as this would make it easy to separate the two markets. There would be little difficulty in maintaining the separation in Kenya where consumer preferences are so strong against yellow maize. Yet a third alternative is to abandon the differential and allow maize for feed to be sold at the same price as maize for human consumption. This may be a feasible solution if the consumer price of maize comes down as part of the free internal market recommendation.

103. The Committee heard that the movement of green maize was being restricted at times and in some parts of the country. The Committee does not feel that there is a case for such control, and it recommends that any such restrictions be abolished forthwith.

### C. Distribution

104. The system of distribution of maize to consumers does not appear to be functioning at all smoothly at present. This includes distribution from the Maize and Produce Board to millers and consumers, and distribution from millers to consumers. There have been shortages of milled maize recently when there was plenty of maize in the country. There have also been shortages of unmilled maize in rural areas, prices then going up well above the Maize and Produce Board selling price.

105. The Committee heard that there is a shortage of milling capacity and it urges the Government to take action to remedy this. Either the millers should be encouraged to augment their capacity, or the Government should enter the milling industry itself. The Committee heard a proposal that the Government should enter the

milling industry by setting up a new plant in competition with the private firms, the new plant being the means of expanding capacity. An alternative would be for the Government to nationalize the whole industry, and build new capacity when it had taken over. The nationalization of the milling industry was given serious consideration by the Committee. The Committee is not convinced that a publicly owned milling industry would perform more efficiently than a private one. The Committee recognizes the considerable degree of expertise required to run the milling industry, and it is concerned that the existing expertise be retained. Instead, the Committee recommends that the Government go ahead with its proposal to establish its own milling plant in competition with the private firms, and as it acquires the necessary expertise and experience that it later considers the possibility of acquiring the private plants if they are not performing satisfactorily.

106. It was stated that transport difficulties were responsible for temporary shortages of milled maize in Mombasa because the EAR were not always able to provide sufficient capacity to move maize milled in Nairobi or further up-country down to Mombasa. The Committee recommends that discussions be held between the millers, the EARC, the Maize and Produce Board and the Government to see what can be done about this problem.

107. In rural areas, shortages of unmilled maize are the responsibility of the Maize and Produce Board. The Board is supposed to be ready to sell maize at the Board selling price, which is currently Sh. 45, whenever there is a local shortage. This should mean that the Board enters the district to sell maize whenever prices within the district rise as high as Sh. 45. The Committee found many cases of prices much higher than Sh. 45 in different districts, which mean that the Maize and Produce Board is not fulfilling this role efficiently. It strongly recommends that the Maize and Produce Board fulfils its functions in this respect so that prices never rise above the Board selling price in any district of Kenya. Apart from the difficulties consumers have as a result of this failure, the Board loses the opportunity to make more of a surplus on internal sales. Sales that should be going through the Board are going through private channels instead.

108. Finally, the Committee recommends that the Maize and Produce Board engage itself actively in sales promotion campaigns to expand the local market for maize and reduce the need for exports. The Board does nothing to promote the consumption of maize by humans, by livestock or by processing industries. The time is long overdue for it to start engaging in promotional activities.

## CHAPTER V

### THE MAIZE AND PRODUCE BOARD

109. The Committee considers that the Maize and Produce Board should be there to give service to farmers, consumers of maize, and the nation as a whole, and it is disturbed to find so many shortcomings in the performance of this service by the board. In reviewing the evidence the Committee feels bound to conclude that the Maize and Produce Board is not fulfilling its responsibilities and that it has let the nation down. The board is supposed to provide for the efficient collection and marketing of farmers surplus maize, and yet farmers find that they cannot deliver their maize at times. The board is supposed to market all surplus maize to the benefit of all farmers, and yet some farmers and traders are allowed to by-pass the board to the detriment of those who keep to the rules. Farmers complain that they do not get fair treatment from Maize and Produce Board officials many of whose dealings are highly suspect as already noted in an earlier section. Farmers also complain that some of the board's officials are rude and high-handed and do not give them any respect. Maize and Produce Board officials do not behave as if they are servicing farmers; farmers are made to feel that it is the other way round. Farmers feel that if they were more adequately represented, some of the problems of attitude on the part of Maize and Produce Board officials would disappear. The Committee agrees and recommends true farmer representation through the election of farmer representatives instead of their appointment by the Minister for Agriculture as at present. If farmers were truly represented their complaints could be heard by Maize and Produce Board staff at the lower levels, and Maize and Produce Board staff could be to feel that they should serve farmers rather than the other way round. *The Committee also recommends* that the Maize and Produce Board take measures to gain more control over the activities of its junior staff to curb corruption at the lower levels.

110. The Committee found evidence of a failure on the part of the Maize and Produce Board to serve consumers as it should, as noted in Chapter IV. The Committee heard of many areas in which prices much higher than the Maize and Produce Board selling price were common. The only conclusion the Committee could draw was that the Maize and Produce Board was not fulfilling its function, in this respect.

111. Finally, as also discussed in the previous chapter, the Committee is extremely unsatisfied with the way in which the Maize and Produce Board and the Government are managing the national stock of maize.

112. With a free internal market in maize, the Maize and Produce Board would have somewhat different responsibilities. It would have less dealings with farmers and consumers direct. It would

have more responsibilities for monitoring prices, intervening when they fell to the floor price or rose to the ceiling price as outlined earlier. It would also have the very important function of maintaining the national stocks at the right levels, and of importing and exporting as necessary. The Committee feels that this new role is as important as the present role of the Maize and Produce Board, and that it is vital that it improve on present performance to fulfill this new role adequately. The Committee has already recommended that the board gain more control over its junior staff. But many of the board's problems clearly stem from difficulties at the national level. It is clear to the Committee that the Maize and Produce Board suffers from too much interference in day to day decisions, and in other matters that are rightly its own responsibility. There is a need for clear policy of adherence to well-defined areas of responsibility on the part of the Government and the Maize and Produce Board, not least in financial matters. The Committee found examples of interference at many levels. It also found that the Maize and Produce Board could not plan ahead financially as it did not know until very late what assistance it could expect from the Government and what it would have to find for itself. Whether the Government is going to foot the bill for holding over maize stocks, whether the board is going to get any assistance in financing export losses, etc., seems to be extremely uncertain until the last minute. This makes it almost impossible for the Maize and Produce Board to undertake any sound financial planning. *The Committee recommends* that a clear policy dividing financial responsibilities of the board from those of the Government be established forthwith, so that the board can plan ahead knowing exactly what it can expect in the form of Government assistance, and knowing what it will have to find elsewhere. This is particularly important with respect to the strategic reserve which is as crucial to a situation in which there is a free internal market for maize as it is at present. *The Committee also recommends* adherence to clearly defined areas of responsibility in other matters, such as the issue of movement permits.

113. The Committee feels that some of the Maize and Produce board's problems also stem from the fact that it is getting directives from two Ministries, and that there is no clear indication of their different areas of responsibility particularly at the Provincial and District levels. *The Committee strongly recommends* that the Government transfer full powers of responsibility to the Ministry of Agriculture, as specified in the Act. Taking this recommendation together with those in the previous paragraph it would then be clear to everyone who is responsible for what, and who should answer for each particular decision.

114. The Committee considered the role of the KFA in relation to the Maize and Produce Board. The Committee heard that the KFA would like to assume responsibility for handling the maize crop throughout the country, not just in the former Scheduled Areas. The Committee has already recommended that the KFA play a more active role in the supply of inputs throughout the country, if it can be suitably reorganized to fulfil this role. With suitable reorganization, the Committee would also like to see the KFA handling maize in more areas of the country. It feels that the KFA could play a much greater role in a free internal market for maize anyway. Meanwhile, it could extend its role as an agent of the Maize and Produce Board in competition with other agents, but as with inputs (*see* Ch. II)

the Committee feels that its own internal reorganization is a crucial first step to any extension of its role in handling maize. Until it has wider representation, it should not be given any *special* encouragement to serve farmers in more areas than at present.

115. Finally, the Committee considered the question of the Maize and Produce Board's income tax liability which has only recently been made effective. The Committee feels that a non-profit-making organization such as the board should plough back its surpluses to the benefit of farmers and consumers of maize and not leave itself with surpluses that are liable to tax. *The Committee recommends* that the board look into this matter with the Government to ensure that it does not pay tax unnecessarily.

## CHAPTER VI

## A NATIONAL FOOD POLICY

116. The Committee considered the need for a national food policy in Kenya, in which maize would obviously play an important part. Many times the Committee's attention was drawn to the interrelationship between maize and other food crops. Before the colonial period, maize was hardly eaten in Kenya at all. Since maize has become a staple food more prominent in some parts of Kenya than in others. In parts of Kenya, maize is now the major staple. In other parts, it is mixed with other staples, and yet others it is still a relatively minor part of the diet if it is eaten at all. There is always the possibility of substituting between maize and other starches: between maize and millets in some parts of Kenya; between maize and cassava in others; between maize and wheat; or between maize and rice. There is also a need to supplement maize with other foods such as legumes, vegetables, dairy products, meat, fish and fruit to provide a balanced diet. What is needed is a national food policy which includes all these foods. In such a food policy, the promotion of production to avoid national shortages would include far more than maize. It was put to the Committee that food crops other than maize are neglected in the Government production programmes for agriculture at present, and that if they were also encouraged the nation would need less maize.

117. The national food policy must also cover the consumer. On the one hand it is necessary to ensure that enough is produced. On the other hand it is important to ensure as far as possible that enough and the right balance of foods is consumed. There are two major problems here: one is to get people to demand a nutritional mix of foods; the other is to get food to people who do not have the resources with which to produce or to purchase it. *The Committee recommends* that much more be done to spread sound nutritional principles among the people of Kenya, particularly in remoter areas. *It also recommends* that more attention be paid to the problem of famine and destitution: the problem of distributing food that is there to people who need it but cannot pay.

118. The Committee considered the problem of the semi-arid areas to which large quantities of public resources have to be diverted on an emergency basis every five years or so when there is a major famine. The Committee feels that the semi-arid areas should receive much more attention than they do at present. They represent a major cost to the country when the famines occur, and there is a major cost to the communities themselves in terms of human suffering. *The Committee recommends* that these areas receive help in developing resources with which they can purchase food in times of famine. The Committee does not feel that any solution to their

problems will come about as part of a national policy for maize, as was suggested at times in the evidence. These areas need a great deal of assistance in developing products that will survive the severe climatic conditions, and in developing ways of dealing with the extreme year to year fluctuations. Maize is normally fairly sensitive to climatic extremes, and although some success is being experienced in the development of the short-maturity synthetics, the Committee feels that maize is unlikely to provide a lasting solution to the problems of the semi-arid areas in Kenya. *The Committee recommends* that research and other efforts be directed into products such as sorghums, millets and others that have succeeded elsewhere in semi-arid conditions. The semi-arid areas will be assisted by a policy of free internal movement for maize, in which maize moves from the surplus areas more cheaply and easily, and this will encourage them to divert their efforts into other products. There is certainly a need for a policy paying particular attention to the problem of supplying food to semi-arid areas in times of shortage, and the Committee considers this an important part of a national food policy. A national food policy should also contain provisions for other sorts of destitution resulting in an inadequate intake of food.

119. Another problem which should be covered by a national food policy is the problem of interruptions in the normal flows of food from surplus to shortage areas, failures of the marketing system which can result in shortages of food. If the internal market for maize is freed, it will be necessary to monitor food flows to ensure that the free market performs adequately in distributing essential food supplies. If a system of monitoring food flows had been in operation now, it might have drawn more attention to the recent failures of the Maize and Produce Board in preventing the occurrence of localized shortages.

120. The Committee considered whether there was a case for a special Ministry of Food and Marketing, responsible for a national food policy. The Committee came to the conclusion that it did not matter where the responsibility was located as long as a policy existed and was implemented. It could be the responsibility of the Ministry of Agriculture in consultation with other Ministries, or it could be in another Ministry. Whichever Ministry were to be given this additional responsibility and were expected to take it seriously, additional staff would have to be allocated for the purpose. *The Committee therefore recommends* the immediate introduction of a national food policy that is the responsibility of an appropriately staffed unit created for the design and implementation of such a policy.

## CHAPTER VII

## SUMMARY AND CONCLUDING REMARKS

The main body of the report contains the many recommendations made by the Committee. Here all that is needed is to summarize the principal conclusions of the Committee's deliberations.

The Committee found that recent shortages had little to do with production which is thriving. Indeed, it is partly due to the spectacular increases in production over the last few years that the industry is now facing problems. The difficult move from self-sufficiency to export is still premature, but the Committee hopes that it will not be long before increases in the efficiency of the industry will make it possible. The Committee found that much of the blame for the recent shortages of maize rests with the Maize and Produce Board and the Government. The Committee considers that the special position of maize as the staple food in Kenya warrants Government support to ensure that adequate reserves are always available. Consumers should not be asked to bear a major part of the cost of ensuring adequate supplies as they do at present. The Committee found that the maize marketing system is the source of most of the problems faced by the maize industry currently, and indeed that the whole system is in danger of breaking down. The Committee came to the conclusion that a free internal market for maize would solve many of the problems. But the Maize and Produce Board would still have an important role in guaranteeing and stabilizing the price, and in managing the national stocks of maize. To perform its functions efficiently, the board needs to be given clear responsibilities and then allowed to get on without interference. The Committee noted the absence of a national food policy in Kenya and recommended its introduction which it feels is especially necessary to accompany the transition to a free internal market for maize.

The Committee views the ensuring of Kenya's national food supply as a matter of supreme importance. The present situation is entirely unacceptable to the people of Kenya, and the

Committee hopes that the Government will view it with the same seriousness as the *wananchi*. The Committee has recommended measures which could ensure that the nation does not suffer from a shortage again, and it hopes that these will be taken seriously.

The Committee is aware that many farmers will be disappointed to find that it could not recommend a larger increase in the producer price of maize, but it asks them to accept the arguments presented in the body of the report, and to recognize the potential increase in income available to them if the Government implements the Committee's recommendations. The Committee feels confident that farm incomes will rise if its recommendations are accepted and implemented.

The Committee also appreciates that some people will feel uneasy or even apprehensive about entrusting the distribution of maize to a free market. It urges them to consider whether they feel any less uneasy about the current state of affairs outlined in the report, and to recognize that an organized market is not necessarily an efficient one. The Committee feels that the current system is performing extremely poorly in distributing maize in Kenya at present, and that a free internal market would almost certainly do this more efficiently and more equitably.

Finally, the implementation of the Committee's recommendations will require substantial amendments to the Act. The Committee recommends that suitably drafted amendments be laid before the House once the recommendations are accepted.

Let the National Assembly of the Republic of Kenya give a lead to the Government and the nation in initiating a new policy for maize so that our farmers have the encouragement they deserve and our people never have to go short of maize again.



**MINUTES OF THE FIRST MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD IN CONFERENCE ROOM 7, PARLIAMENT BUILDINGS, ON THURSDAY, 20th JULY, 1972, AT 10.30 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P.  
THE HON. H. R. CHEBOIWO, M.P.  
THE HON. W. M. SAINA, M.P.  
THE HON. K. B. MWAMZANDI, M.P.  
THE HON. K. KINYANJUI, M.P.  
THE HON. D. O. AMAYO, M.P.  
THE HON. P. N. MUNYASIA, M.P.  
THE HON. G. A. EMOTO-EBU, M.P.

*Apology.*—For absence was received from the Hon. I. K. Muthua, M.P.

In Attendance:

MR. L. J. NGUGI, Clerk of the National Assembly.  
MR. H. B. N. GICHERU, Second Clerk Assistant of the National Assembly.

*Minute 1—Election of Chairman.*—The Committee unanimously agreed that the Hon. W. Wabuge, M.P., do take the Chair.

*Minute 2—Terms of Reference.*—The Committee noted the following resolution passed by the House on 28th April, 1972:—

“THAT, in view of the fact that maize has become the staple food of this country and that consumption has leapt up tremendously, and since the population is increasing every year and the country is faced with shortage of maize from time to time, this House resolves to

appoint a Select Committee to inquire into the problems facing the maize industry generally, and make recommendations to the House, and in particular:—

- (a) to find ways and means of increasing maize production both for local consumption and for export;
- (b) to raise, guarantee and stabilize the price of maize in the country; and
- (c) to look into the question of proper storage, marketing and distribution of maize-meal throughout the country.”

*Minute 3—Memoranda.*—The Committee resolved that advertisements be made in the local Press inviting members of the public to submit memoranda on the subject before 31st August, 1972.

*Minute 4—Questionnaires.*—The Committee decided to send questionnaires to farmers and the relevant Ministry and appointed a sub-committee to make the preliminary arrangements.

*Minute 5—Adjournment.*—The meeting was adjourned until Thursday, 27th July, 1972 at 10.30 a.m.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

2nd August, 1972.

**MINUTES OF THE SECOND MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD IN CONFERENCE ROOM 8, PARLIAMENT BUILDINGS, ON THURSDAY, 27th JULY, 1972, AT 10.30 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
THE HON. H. R. CHEBOIWO, M.P.  
THE HON. E. T. MWAMUNGA, M.P.  
THE HON. W. M. SAINA, M.P.  
THE HON. K. B. MWAMZANDI, M.P.  
THE HON. I. K. MUTHUA, M.P.  
THE HON. G. A. EMOTO-EBU, M.P.

In Attendance:

MR. H. B. N. GICHERU, Second Clerk Assistant of the National Assembly.

*Minute 6—Questionnaires.*—The Committee considered the draft questionnaires prepared by the sub-committee appointed at the first meeting.

*Minute 7—Memoranda.*—The Committee decided the persons and bodies of persons who should be specifically asked to submit memoranda.

*Minute 8—Adjournment.*—And the time being forty-five minutes past Twelve O'clock the Chairman adjourned the Committee until Wednesday, 2nd August, 1972, at 10.30 a.m.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

2nd August, 1972.

**MINUTES OF THE THIRD MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD IN CONFERENCE ROOM 7, PARLIAMENT BUILDINGS, ON WEDNESDAY, 2nd AUGUST, 1972, AT 10.30 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
 THE HON. H. R. CHEBOIWO, M.P.  
 THE HON. E. T. MWAMUNGA, M.P.  
 THE HON. K. B. MWAMZANDI, M.P.  
 THE HON. I. K. MUTHUA, M.P.  
 THE HON. G. A. EMOTO-EBU, M.P.  
 THE HON. P. N. MUNYASIA, M.P.

In Attendance:

MR. H. B. N. GICHERU, Second Clerk  
 Assistant of the National Assembly.

*Minute 9—Questionnaires.*—The Committee considered the draft questionnaires as corrected at the second meeting.

*Minute 10—Adjournment.*—And the time being thirty minutes past Eleven O'clock the Chairman adjourned the Committee until after the recess.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

5th October, 1972.

**MINUTES OF THE FOURTH MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD IN CONFERENCE ROOM 7, PARLIAMENT BUILDINGS, ON THURSDAY, 5th OCTOBER, 1972**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
 THE HON. E. T. MWAMUNGA, M.P.  
 THE HON. K. B. MWAMZANDI, M.P.  
 THE HON. I. K. MUTHUA, M.P.  
 THE HON. G. A. EMOTO-EBU, M.P.  
 THE HON. P. N. MUNYASIA, M.P.  
 THE HON. D. O. AMAYO, M.P.

*Apology.*—For absence was received from Hon. H. R. Cheboiwo, M.P.

In Attendance:

MR. H. B. N. GICHERU, Second Clerk  
 Assistant—National Assembly.

MR. J. K. MASYA, Third Clerk Assistant—  
 National Assembly.

*Minute 11—Questionnaires.*—The Committee considered the programme of tours during the forthcoming recess.

*Minute 12—Adjournment.*—And the time being forty minutes past Eleven O'clock the Chairman adjourned the Committee until Thursday, 26th October, 1972, at 10.30 a.m.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

12th October, 1972.

**MINUTES OF THE FIFTH MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD IN CONFERENCE ROOM 7, PARLIAMENT BUILDINGS, ON THURSDAY, 12th OCTOBER, 1972, AT 10.30 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
 THE HON. W. M. SAINA, M.P.  
 THE HON. H. R. CHEBOIWO, M.P.  
 THE HON. K. B. MWAMZANDI, M.P.  
 THE HON. K. KINYANJUI, M.P.  
 THE HON. I. K. MUTHUA, M.P.  
 THE HON. G. A. EMOTO-EBU, M.P.

In Attendance:

MR. J. O. KIMORO, First Clerk Assistant,  
 National Assembly.  
 MR. J. K. MASYA, Third Clerk Assistant,  
 National Assembly.

*Minute 13.*—The Committee approved the Minutes of the previous meeting and were confirmed by the Chairman.

*Minute 14—Programme.*—The Committee considered and approved the revised programme of touring the country during the forthcoming recess.

*Minute 15—Adjournment.*—And the time being twenty minutes past Eleven O'clock, the Chairman adjourned the Committee until Wednesday, 18th October, 1972, at 10.30 a.m.

Confirmed.

D. O. AMAYO,  
*Acting Chairman.*

18th October, 1972.

**MINUTES OF THE SIXTH MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD IN CONFERENCE ROOM 8, PARLIAMENT BUILDINGS, ON WEDNESDAY, 18th OCTOBER, 1972, AT 10.30 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
 THE HON. H. R. CHEBOIWO, M.P.  
 THE HON. W. M. SAINA, M.P.  
 THE HON. D. O. AMAYO, M.P.  
 THE HON. P. N. MUNYASIA, M.P.  
 THE HON. I. K. MUTHUA, M.P.  
 THE HON. G. A. EMOTO-EBU, M.P.

In Attendance:

MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.

*Minute 16—Election of Acting Chairman.*—In the absence of the Chairman, the Members of the Committee present appointed the Hon. D. O. Amayo, M.P., as the Ag. Chairman.

*Minute 17—Confirmation of Minutes.*—The Committee approved the Minutes of the previous meeting and were confirmed by the Ag. Chairman.

*Minute 18—Arrangements for the Country-side Tour.*—The Committee agreed on the means of transport to be used by the Committee Members and that the National Assembly would make arrangement for the provision of two cars to be used by the Committee.

*Minute 19—Press Conference.*—The Chairman of the Committee addressed a Press conference on the purpose of the Select Committee and appealed to the Members of the public to turn up in big numbers to give views and pass ideas to the Select Committee wherever it travels throughout the country.

*Minute 20—Adjournment.*—And the time being half-past Eleven O'clock, the Chairman adjourned the Committee until Monday, 30th October, 1972, at 9 a.m. in Kitale.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

11th April, 1973.

**MINUTES OF THE SEVENTH MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD IN KITALE ON MONDAY, 30th OCTOBER, 1972, AT 11.00 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
 THE HON. K. KINYANJUI, M.P.  
 THE HON. D. O. AMAYO, M.P.  
 THE HON. P. N. MUNYASIA, M.P.  
 THE HON. G. A. EMOTO-EBU, M.P.

In Attendance:

MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.

*Introduction.*—The Chairman introduced the Members of the Committee to the members of the public present and read to them the terms of reference for the Committee.

*Minute 21—Evidence.*—The following persons appeared and gave evidence before the Committee:—

MR. PIUS RUMO MAGERO, Kitale.  
 MR. ENOCH IMBUYE, Endebess.  
 MR. OHARE, The District Commissioner, West Pokot.

*Minute 22—Adjournment.*—The Committee adjourned at 1.15 p.m. until 2.15 p.m.

*Afternoon Meeting.*—The Committee met at 2.15 p.m.

*Present.*—All the Committee Members who were present during the morning sitting were also present in the afternoon sitting.

*In Attendance.*—The same as in the morning sitting.

*Minute 23—Evidence.*—The following members of the public appeared and gave evidence before the Committee:—

MR. IMBUGUA K. ARADI  
 DR. NOAH WEKESA  
 MR. WILLIAM ARUSEI  
 MR. EZEKIEL ARAP CHUMO  
 MR. PETER OSOSO  
 MR. JOSEPH LUMBASI  
 MR. RAMRATA

*Minute 24—Adjournment.*—The Committee adjourned at 5.45 p.m. until 9 a.m. on Tuesday, 31st October, 1972 at Bungoma.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

11th April, 1973.

**MINUTES OF THE EIGHTH MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD AT BUNGOMA ON TUESDAY, 31st OCTOBER, 1972, AT 11.00 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
 THE HON. K. KINYANJUI, M.P.  
 THE HON. D. O. AMAYO, M.P.  
 THE HON. P. N. MUNYASIA, M.P.  
 THE HON. G. A. EMOTO-EBU, M.P.  
 THE HON. I. K. MUTHUA, M.P.  
 THE HON. H. R. CHEBOIWO, M.P.

In Attendance:

THE HON. W. N. MONOKO, M.P., an Assistant Minister for Local Government.  
 MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.

*Introduction.*—The Chairman introduced the Members of the Committee present to the members of the public who appeared at the County Hall to present their evidence and read to them the terms of reference.

*Minute 25—Evidence.*—The following persons appeared and gave evidence before the Committee:—

MR. P. R. ORANGA, D.C., Bungoma.  
 HON. W. N. MUNOKO, M.P., Assistant Minister for Local Government.  
 MR. HABIL HALUMI.

*Minute 26—Adjournment.*—The Committee adjourned at 1.15 p.m. until 2.15 p.m.

*Afternoon Meeting.*—The Committee met at 2.15 p.m. All those Committee Members who attended the morning sitting were also present during the afternoon meeting.

In Attendance:

MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.

*Minute 27—Evidence.*—The following persons appeared and gave evidence before the Committee:—

MR. TIMOTHY  
 MR. D. H. OMANGI  
 MR. R. W. C. BOMETT  
 MR. B. KOKONYA  
 MR. PASCAL NABWANA  
 MR. M. WALIOLI  
 MR. FERNANDES NJEIRA  
 MR. SAMUEL MUKUI  
 MR. HON. E. W. MWANGALE, M.P.

*Minute 28—Adjournment.*—The Committee adjourned at 6 p.m. until 9 a.m. on Wednesday, 1st November, 1972 at Kakamega.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

11th April, 1973

**MINUTES OF THE NINTH MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD AT KAKAMEGA ON WEDNESDAY, 1st NOVEMBER, 1972, AT 9.00 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. D. O. AMAYO, M.P. (*Ag. Chairman*)  
 THE HON. K. KINYANJUI, M.P.  
 THE HON. H. R. CHEBOIWO, M.P.  
 THE HON. P. N. MUNYASIA, M.P.  
 THE HON. I. K. MUTHUA, M.P.  
 THE HON. K. B. MWAMZANDI, M.P.  
 THE HON. G. A. EMOTO-EBU, M.P.

In Attendance:

MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.

*Minute 29—Appointment of Ag. Chairman.*—Because of unavoidable and explained absence of the Chairman, the Hon. D. O. Amayo, M.P. was appointed the Ag. Chairman.

*Introduction.*—The Ag. Chairman introduced the Members of the Committee present to the members of the public who appeared to give evidence and read to them the terms of reference.

*Minute 30—Evidence.*—The following persons appeared and gave evidence before the committee:—

MR. C. KIMANI  
 MR. C. P. OKECH  
 MR. SHEM MUSEE  
 MR. R. K. OGARE  
 MR. J. H. O. KIDENDA  
 MRS. P. A. AMBURA  
 MR. HUDSON K. LUBANGA  
 MR. JULIUS MAKATIANI  
 MR. GEORGE WECHÉ  
 MR. JAVAN KALIKA  
 MR. JACOB KHASAMBULI  
 MR. WILSON KUSIMBA  
 MR. D. P. M'MBAKA  
 MR. PETER LUVANGA  
 MR. SHADRACK MAHAGUA  
 MR. P. K. BOIT

*Minute 31.*—Adjournment at 3.15 p.m. until 9 a.m. on Thursday, 2nd November, 1972 at Kisumu.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

11th April, 1973.

**MINUTES OF THE TENTH MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD AT KISUMU ON THURSDAY, 2nd NOVEMBER, 1972, AT 9.00 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. D. O. AMAYO, M.P. (*Ag. Chairman*)  
 THE HON. K. KINYANJUI, M.P.  
 THE HON. H. R. CHEBOIWO, M.P.  
 THE HON. I. K. MUTHUA, M.P.  
 THE HON. K. B. MWAMZANDI, M.P.  
 THE HON. P. N. MUNYASIA, M.P.  
 THE HON. G. A. EMOTO-EBU, M.P.

In Attendance:

MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.

*Introduction.*—Mr. Ag. Chairman introduced the Members of the Committee to the members of the public who gathered to give evidence and read the terms of reference to them.

*Minute 32—Evidence.*—The following persons appeared and gave evidence before the Committee:—

MR. JAIRO AKIBAYA  
 MR. ALI BERIKI  
 MR. JOSEPH MWANGOVYA  
 MR. JAOKO ELISA  
 MR. M. MILKNE

*Minute 33—Adjournment.*—The Committee adjourned at 1 p.m. until 2 p.m.

*Afternoon Meeting.*—The Committee met at 2 p.m.

*Present.*—All the Members who were present in the morning sitting were present in the afternoon meeting with the exception of the Hon. G. A. Emoto-Ebu and Hon. I. K. Muthua, M.P.s.

In Attendance:

MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.

*Minute 34—Evidence.*—The following persons appeared and gave evidence before the Committee:—

MR. E. K. MUREITHI  
 MR. J. M. MBOGORI  
 MR. R. E. ARINGO  
 MR. JOHN OUKO  
 MR. OCHIENG ONYANGO  
 HON. MRS. GRACE ONYANGO, M.P.

*Minute 35—Adjournment.*—The Committee adjourned at 4 p.m. until Friday, 3rd November, 1972 at Kisii.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

11th April, 1973.

**MINUTES OF THE ELEVENTH MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD AT KISII ON FRIDAY, 3rd NOVEMBER, 1972, AT 9.15 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. D. O. AMAYO, M.P. (*Ag. Chairman*)  
 THE HON. K. B. MWAMZANDI, M.P.  
 THE HON. G. A. EMOTO-EBU, M.P.  
 THE HON. H. R. CHEBOIWO, M.P.  
 THE HON. K. KINYANJUI, M.P.  
 THE HON. I. K. MUTHUA, M.P.  
 THE HON. P. N. MUNYASIA, M.P.

In Attendance:

MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.

*Introduction.*—The Ag. Chairman introduced the Members of the Committee to the members of the public who turned up to give evidence and read to them the terms of reference of the Committee.

*Minute 36—Evidence.*—The following persons appeared and gave evidence before the Committee:—

MR. CHARLES ONYANGO  
 MR. DAVID OWADE  
 MR. S. P. MULAMA  
 MR. I. H. OHUMU OUMA  
 MR. RICHARD ACHOKI

*Minute 37—Adjournment.*—The Committee adjourned at 1 p.m. until 2 p.m.

*Afternoon Meeting.*—The Committee met at 2 p.m.

*Present.*—All the Members who attended the morning sitting were present in the afternoon meeting with the exception of the Hon. D. O. Amayo, M.P. and Hon. K. B. Mwamzandi, M.P.

In Attendance:

MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.

*Minute 38—Evidence.*—The following persons appeared and gave evidence before the Committee:—

MR. IRESA MWITA  
 MR. ONYIENGO OGURA  
 MR. EMANUEL OWAGA  
 MR. TIMOTHY OREDI  
 MR. ZACHARIA AGWENYI  
 MR. N. C. KHISA  
 MR. HASSION AKUMA  
 MR. ANDREW OYUGI  
 MR. NATHANIEL ODIRO  
 MR. RAPHAEL ONDIEKI  
 MR. S. G. MUCHOMA  
 MR. OYUGI OTAHA

*Minute 39—Adjournment.*—The Committee adjourned at 4.45 p.m. until Saturday, 4th November, 1972 at 9 a.m. in Kericho.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

11th April, 1973.

**MINUTES OF THE TWELFTH MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD AT KERICHO ON SATURDAY, 4th NOVEMBER, 1972, AT 9.00 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
 THE HON. G. A. EMOTO-EBU, M.P.  
 THE HON. H. R. CHEBOIWO, M.P.  
 THE HON. P. N. MUNYASIA, M.P.  
 THE HON. K. KINYANJUI, M.P.  
 THE HON. I. K. MUTHUA, M.P.

In Attendance:

MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.

*Introduction.*—The Chairman introduced the Members of the Committee to the members of the public present and read to them the Committee's terms of reference and some aspects of the maize industry which should be borne in mind when one presents one's evidence.

*Minute 40—Evidence.*—The following persons appeared and gave evidence before the Committee:—

MR. N. M. OLE NCHARO  
 MR. OGWANGA  
 MR. S. HAMILTON  
 MR. SHEM ARAP KIRUI  
 MR. JOHN KERICH  
 MR. STANLEY TURGAT

*Minute 41—Adjournment.*—The Committee adjourned at 1 p.m. until 2 p.m.

*Afternoon Meeting.*—The Committee met at 2 p.m.

*Present.*—All the Members of the Committee who were also present during the morning sitting were also present in the afternoon sitting with the exception of the Hon. K. Kinyanjui, M.P., and Hon. I. K. Muthua, M.P.

In Attendance:

MR. N. H. OLE NCHARO, D.C., KERICHO.  
 MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.

*Minute 42—Evidence.*—The following persons appeared and gave evidence before the Committee:—

MR. JOHN ODERO  
 MR. HENRY ARAP CHEPKWONY  
 MR. ELISA ARAP CHEBOMUI  
 MR. WILLIAM BERIRI  
 MR. MICHAEL ARAP TOO

*Minute 43—Adjournment.*—The Committee adjourned at 3.45 p.m. until Monday, 6th November, 1972 at 9 a.m. in Eldoret.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

11th April, 1973.

**MINUTES OF THE THIRTEENTH MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD AT ELDORET ON MONDAY, 6th NOVEMBER, 1972, AT 10.00 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
 THE HON. G. A. EMOTO-EBU, M.P.  
 THE HON. H. R. CHEBOIWO, M.P.  
 THE HON. P. N. MUNYASIA, M.P.  
 THE HON. D. O. AMAYO, M.P.

In Attendance:

The D.C., Uasin Gishu (MR. B. A. OSUNDWA)  
 MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.

*Introduction.*—The Chairman introduced the Members of the Committee to the members of the public who appeared to give their evidence before the Committee and read to them the Committee's terms of reference.

*Minute 44—Evidence.*—The following persons appeared and gave evidence before the Committee:—

MR. B. A. OSUNDWA  
 MR. R. K. CHESIRE  
 MR. WILLIE CHIRCHIR  
 MR. PAUL BOIT  
 MR. L. K. M. SIGILAI  
 MR. ELISHA BUSIENEI  
 MR. W. R. KAMUREN  
 MR. RICHARD KUBOKA  
 MR. MALAKWEN SISIWA

*Minute 45—Adjournment.*—The Committee adjourned at 2.15 p.m. until Tuesday, 7th November, 1972 at 9 a.m. in Nakuru.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

11th April, 1973.

**MINUTES OF THE FOURTEENTH MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD AT NAKURU ON TUESDAY, 7th NOVEMBER, 1972, AT 10.00 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
 THE HON. H. R. CHEBOIWO, M.P.  
 THE HON. W. M. SAINA, M.P.  
 THE HON. D. O. AMAYO, M.P.  
 THE HON. P. N. MUNYASIA, M.P.  
 THE HON. G. A. EMOTO-EBU, M.P.  
 THE HON. I. K. MUTHUA, M.P.

In Attendance:

THE HON. BABU WOOD, M.P., Assistant Minister for Commerce and Industry.  
 MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.

*Introduction.*—The Chairman introduced the Members of the Committee to the farmers and members of the public who appeared to give evidence and read to them the terms of reference of the Committee.

*Minute 46—Evidence.*—The following persons appeared and gave evidence before the Committee:—

MR. VON KAUFMAN  
 MR. FEINGOLD  
 MR. K. KOMEN  
 MR. JOSIAH KIHUMBA  
 MR. MUSA AMALEMBA  
 MR. A. T. NGUIRI  
 MR. EDWARD MUGARUSI  
 MR. E. L. PINTO  
 MR. K. CHUMO  
 THE HON. BABU WOOD, Assistant Minister for Commerce and Industry.

*Minute 47—Adjournment.*—The Committee adjourned at 2 p.m. until Thursday, 9th November, 1972 at 9 a.m. in Nyeri.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

11th April, 1973.

**MINUTES OF THE FIFTEENTH MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD AT NYERI ON THURSDAY, 9th NOVEMBER, 1972, AT 10.00 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
 THE HON. D. O. AMAYO, M.P.  
 THE HON. I. K. MUTHUA, M.P.  
 THE HON. W. M. SAINA, M.P.  
 THE HON. P. N. MUNYASIA, M.P.  
 THE HON. G. A. EMOTO-EBU, M.P.  
 THE HON. H. R. CHEBOIWO, M.P.  
 THE HON. K. KINYANJUI, M.P.

In Attendance:

THE HON. WARURU KANJA, M.P.  
 MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.

*Introduction.*—The Chairman introduced the Members of the Committee to the members of the public present and read to them the terms of reference for the Committee.

*Minute 48—Evidence.*—The following persons appeared and gave evidence before the Committee:—

MR. STEPHEN MUNA  
 THE HON. W. KANJA, M.P.  
 MR. JOSEPH NJERU IRUNGU  
 MR. JAMES KOMU  
 MR. ELIUD KARIUKI

*Minute 49—Adjournment.*—The Committee adjourned at 2.15 p.m. until Friday, 9th November, 1972 at 9 a.m. in Meru.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

11th April, 1973.

**MINUTES OF THE SIXTEENTH MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD AT MERU ON FRIDAY, 10th NOVEMBER, 1972, AT 10.00 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
 THE HON. I. K. MUTHUA, M.P.  
 THE HON. K. KINYANJUI, M.P.  
 THE HON. W. M. SAINA, M.P.  
 THE HON. D. O. AMAYO, M.P.  
 THE HON. H. R. CHEBOIWO, M.P.  
 THE HON. P. N. MUNYASIA, M.P.  
 THE HON. G. A. EMOTO-EBU, M.P.

In Attendance:

MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.

*Introduction.*—Mr. Chairman introduced the Members of the Committee to the members of the public who appeared to give evidence before the Committee and read the terms of reference to them.

*Minute 50—Evidence.*—The following persons appeared and gave evidence before the Committee:—

MR. J. M. KABUGA  
 MR. JOSEPH MAINGI MATHIU  
 MR. KOINANGE, The Provincial Commissioner  
 THE HON. MUTHAMIA, M.P.  
 MR. NAFTALI  
 MR. GERARD MUKUNGA  
 MR. A. MUREITHI

*Minute 51—Adjournment.*—The Committee adjourned at 12.30 p.m. until Saturday, 11th November, 1972 at 9 a.m. at Embu.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

11th April, 1973.

**MINUTES OF THE SEVENTEENTH MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD AT EMBU ON SATURDAY, 11th NOVEMBER, 1972, AT 9.30 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
 THE HON. I. K. MUTHUA, M.P.  
 THE HON. G. A. EMOTO-EBU, M.P.  
 THE HON. W. M. SAINA, M.P.  
 THE HON. H. R. CHEBOIWO, M.P.  
 THE HON. D. O. AMAYO, M.P.  
 THE HON. K. KINYANJUI, M.P.  
 THE HON. P. N. MUNYASIA, M.P.

In Attendance:

The P.C., Eastern Province (MR. C. K. KOINANGE).

MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.

*Introduction.*—Mr. Chairman introduced the Members of the Committee to the members of the public who appeared to give evidence and read to them the terms of reference.

*Minute 52—Evidence.*—The following persons appeared and gave evidence before the Committee:—

MR. C. K. KOINANGE  
 MR. DAVID KANG'ETHE  
 MR. JAMES P. NYAGA  
 MR. GERISHON JOHN MBOGO  
 MR. C. K. KINYUA  
 MR. LAWRENCE MUCHUNGU  
 MR. C. WEKULO  
 MR. NATHAN N. MURATHO  
 MR. NYAGA MUOGA  
 MR. JUSTIN GATITI

*Minute 53—Adjournment.*—The Committee adjourned at 1.15 p.m. until some time later in Nairobi.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

11th April, 1973.



**MINUTES OF THE EIGHTEENTH MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD IN ROOM 9, PARLIAMENT BUILDINGS, ON WEDNESDAY, 22nd NOVEMBER, 1972, AT 10.30 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
 THE HON. H. R. CHEBOIWO, M.P.  
 THE HON. P. N. MUNYASIA, M.P.  
 THE HON. E. T. MWAMUNGA, M.P.  
 THE HON. G. A. EMOTO-EBU, M.P.  
 THE HON. W. M. SAINA, M.P.  
 THE HON. K. B. MWAMZANDI, M.P.  
 THE HON. D. O. AMAYO, M.P.

In Attendance:

MR. H. B. N. GICHERU, Second Clerk  
 Assistant in the National Assembly.  
 MR. J. K. MASYA, Third Clerk Assistant in  
 the National Assembly.

*Minute 54—Programme.*—The Committee considered and approved the programme for the second leg tour of the country-side.

*Minute 55—Adjournment.*—And the time being thirty minutes past Eleven O'clock, Mr. Chairman adjourned the Committee until Monday, 27th November, 1972 at 10 a.m. at Thomson's Falls, Nyandarua District.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

11th April, 1973.

**MINUTES OF THE NINETEENTH MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD AT THOMSON'S FALLS ON MONDAY, 27th NOVEMBER, 1972, AT 11.00 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. D. O. AMAYO, M.P. (*Ag. Chairman*)  
 THE HON. K. B. MWAMZANDI, M.P.  
 THE HON. P. N. MUNYASIA, M.P.

In Attendance:

MR. J. K. MASYA, Third Clerk Assistant in  
 the National Assembly.

*Minute 56—Appointment of Ag. Chairman.*—Due to the unavoidable and explained absence of Mr. Chairman, the Hon. D. O. Amayo, M.P., was appointed the Ag. Chairman.

*Minute 57—Introduction.*—Mr. Ag. Chairman introduced the Members of the Committee to the members of the public who appeared at Nyandarua County Hall to give their evidence and read to them the Committee's terms of reference.

*Minute 58—Evidence.*—The following members appeared and gave their evidence before the Committee:—

MR. J. KOBIA  
 MR. STANLEY THUO  
 MR. M. N. RUA  
 MR. STEPHEN MACHARIA  
 MR. STEPHEN NDIRANGU MUGUNDA  
 MR. NEWTON K. GATHINGIRA  
 MR. S. M. NJUGUNA  
 MR. T. M. MUTHARIA  
 MR. F. K. NJOROGE  
 MR. WILLIAM WANGAI  
 MR. H. G. KIBATHI  
 MR. Z. A. WANJAU

*Minute 59—Adjournment.*—The Committee adjourned at 3 p.m. until Wednesday, 29th November, 1972 at Narok.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

11th April, 1973.

**MINUTES OF THE TWENTIETH MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD IN CONFERENCE ROOM 7, PARLIAMENT BUILDINGS, ON TUESDAY, 28th NOVEMBER, 1972, AT 2.30 p.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
 THE HON. D. O. AMAYO, M.P.  
 THE HON. H. R. CHEBOIWO, M.P.  
 THE HON. P. N. MUNYASIA, M.P.  
 THE HON. G. A. EMOTO-EBU, M.P.  
 THE HON. K. B. MWAMZANDI, M.P.

In Attendance:

MR. J. K. MASYA, Third Clerk Assistant in  
 the National Assembly.

*Minute 60—Evidence.*—The Committee Members discussed in detail the problems of maize movement permits, the question of attendance by the Members and the whole process of approach in cross-examining the witnesses who appear to give evidence.

*Minute 61—Adjournment.*—The Committee adjourned at 4 p.m. until Wednesday, 29th November, 1972 at Narok.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

11th April, 1973.

**MINUTES OF THE TWENTY-FIRST MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD IN NAROK COUNTY HALL ON WEDNESDAY, 29th NOVEMBER, 1972, AT 11.45 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
 THE HON. H. R. CHEBOIWO, M.P.  
 THE HON. P. N. MUNYASIA, M.P.  
 THE HON. D. O. AMAYO, M.P.  
 THE HON. E. T. MWAMUNGA, M.P.  
 THE HON. K. B. MWAMZANDI, M.P.

In Attendance:

MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.

*Minute 62—Introduction.*—Mr. Chairman introduced the Members of the Committee to the members of the public who appeared to give evidence and read to them the committee's terms of reference.

*Minute 63—Evidence.*—The following persons appeared and gave evidence before the Committee:—

MR. J. P. SIPARO  
 MR. PHILIP LEMEJ  
 MR. D. O. OLOCHO  
 MR. S. N. ALUKONYA  
 MR. ZABLON OLE KIRAU  
 MR. B. M. NTOROME  
 MR. MULANG'AI OLE SURURU

*Minute 64—Adjournment.*—The Committee adjourned at 2 p.m. until Thursday, 30th November, 1972 at Wundanyi.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

11th April, 1973.

**MINUTES OF THE TWENTY-SECOND MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD IN WUNDANYI ON THURSDAY, 30th NOVEMBER, 1972, AT 2.00 p.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
 THE HON. H. R. CHEBOIWO, M.P.  
 THE HON. P. N. MUNYASIA, M.P.  
 THE HON. K. KINYANJUI, M.P.  
 THE HON. W. M. SAINA, M.P.  
 THE HON. D. O. AMAYO, M.P.  
 THE HON. I. K. MUTHUA, M.P.  
 THE HON. K. B. MWAMZANDI, M.P.  
 THE HON. E. T. MWAMUNGA, M.P.

In Attendance:

MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.

*Introduction.*—Mr. Chairman introduced the Members of the Committee to the members of the public who appeared in the County Hall to give evidence and read to them the Committee's terms of reference.

*Minute 65—Evidence.*—The following persons appeared and gave evidence before the Committee:—

MR. A. N. NJUGUNA NDORO  
 MR. FREDRICK MALATI  
 MR. FRANK MCHARO  
 HON. J. L. SHAKO, Minister for Tourism and Wildlife.  
 MR. FELIX GITONGA  
 MR. HARRISON MWALIKO  
 MR. J. J. A. MOCKHOY

*Minute 66—Adjournment.*—The Committee adjourned at 5.15 p.m. until Friday, 1st December, 1972 at Mombasa.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

11th April, 1973.

**MINUTES OF THE TWENTY-THIRD MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD IN MOMBASA ON FRIDAY, 1st DECEMBER, 1972, AT 10.00 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
 THE HON. E. T. MWAMUNGA, M.P.  
 THE HON. W. M. SAINA, M.P.  
 THE HON. K. B. MWAMZANDI, M.P.  
 THE HON. H. R. CHEBOIWO, M.P.  
 THE HON. D. O. AMAYO, M.P.  
 THE HON. P. N. MUNYASIA, M.P.  
 THE HON. K. KINYANJUI, M.P.  
 THE HON. I. K. MUTHUA, M.P.

In Attendance:

MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.

*Introduction.*—Mr. Chairman introduced the Members of the Committee to the members of the public who appeared at the P.C's board-room to give evidence and read to them the Committee's terms of reference.

*Minute 67—Evidence.*—The following persons appeared and gave evidence before the Committee:—

MR. S. K. KOINANGE  
 MR. PATRICK KATINGIMA  
 MR. GASPAL WALELE

*Minute 68—Adjournment.*—The Committee adjourned at 12.30 p.m. until Saturday, 2nd December, 1972 at Malindi.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

11th April, 1973.

**MINUTES OF THE TWENTY-FOURTH MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD IN MALINDI ON SATURDAY, 2nd DECEMBER, 1972, AT 11.00 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
 THE HON. K. KINYANJUI, M.P.  
 THE HON. W. M. SAINA, M.P.  
 THE HON. E. T. MWAMUNGA, M.P.  
 THE HON. K. B. MWAMZANDI, M.P.  
 THE HON. I. K. MUTHUA, M.P.  
 THE HON. P. N. MUNYASIA, M.P.  
 THE HON. H. R. CHEBOIWO, M.P.  
 THE HON. G. A. EMOTO-EBU, M.P.

In Attendance:

MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.

*Introduction.*—Mr. Chairman introduced the Members of the Committee to the members of the public who appeared to give their evidence before the Committee and read to them the Committee's terms of reference.

*Minute 69—Evidence.*—The following persons appeared and gave evidence before the Committee:—

MR. W. E. HIRIBAE  
 MR. SADRUDIN HUSSEIN  
 MR. JOSEPH K. YERI  
 MR. PAUL KAMBI NGALA  
 MR. WILLIAM KADENGE  
 MR. SALUM ALIANI  
 MR. JOPHET E. MWADOLI  
 MR. KASSIM PANJU  
 MR. SHARRIF A. AHMED  
 MR. BERNARD KAVALI  
 MR. DAVID RANDU  
 MR. ROGERS MWANGOME

*Minute 70—Adjournment.*—The Committee adjourned at 2 p.m. until Monday, 4th December, 1972 at Machakos.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

11th April, 1973.

**MINUTES OF THE TWENTY-FIFTH MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD AT MACHAKOS ON MONDAY, 4th DECEMBER, 1972, AT 11.00 a.m.**

*Present*:—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
 THE HON. E. T. MWAMUNGA, M.P.  
 THE HON. H. R. CHEBOIWO, M.P.  
 THE HON. W. M. SAINA, M.P.  
 THE HON. K. B. MWAMZANDI, M.P.  
 THE HON. P. N. MUNYASIA, M.P.  
 THE HON. G. A. EMOTO-EBU, M.P.  
 THE HON. D. O. AMAYO, M.P.  
 THE HON. I. K. MUTHUA, M.P.

In Attendance:

THE HON. G. G. W. NTHENGE, M.P.  
 THE HON. A. N. MUTUNG'A, M.P.  
 MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.

*Introduction*.—Mr. Chairman introduced the Members of the Committee to the members of the public who appeared to give evidence and read to them the Committee's terms of reference.

*Minute 71—Evidence*.—The following persons appeared and gave evidence before the Committee.

MR. J. A. MWANGI  
 MR. S. KALochu  
 MR. STEPHEN MBAE

*Minute 72—Adjournment*.—The Committee adjourned at 1.30 p.m. until 2.15 p.m.

*Afternoon Meeting*.—The Committee met at 2.15 p.m.

*Present*.—All the Committee Members who attended the morning sitting were present during the afternoon meeting.

In Attendance:

MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.

*Minute 73—Evidence*.—The Committee continued to hear evidence from the following persons:—

MR. JEREMIAH ONYIKO  
 MR. MOHAMED ALI  
 MR. PETER SHITAKHA  
 MR. MUTHOKA  
 HON. G. G. W. NTHENGE, M.P. for Iveti South

*Minute 74—Adjournment*.—The Committee adjourned at 4.30 p.m. until Tuesday, 5th December, 1972 at 10 a.m. in Nairobi.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

11th April, 1973.

**MINUTES OF THE TWENTY-SIXTH MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD IN PARLIAMENT BUILDINGS CONFERENCE ROOM 7, ON TUESDAY, 5th DECEMBER, 1972, AT 10.00 a.m.**

*Present*.—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
 THE HON. H. R. CHEBOIWO, M.P.  
 THE HON. G. A. EMOTO-EBU, M.P.  
 THE HON. P. N. MUNYASIA, M.P.  
 THE HON. I. K. MUTHUA, M.P.  
 THE HON. E. T. MWAMUNGA, M.P.  
 THE HON. W. M. SAINA, M.P.  
 THE HON. K. KINYANJUI, M.P.  
 THE HON. K. B. MWAMZANDI, M.P.  
 THE HON. D. O. AMAYO, M.P.

In Attendance:

MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.

*Minute 75—Programme*.—The Committee resolved that those meetings organized for 8th and 9th December, 1972 respectively, should be postponed to a later date to be decided later on.

*Minute 76—Adjournment*.—The Committee adjourned at 10.45 a.m. until Wednesday, 6th December, 1972 at Garissa.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

11th April, 1973.

**MINUTES OF THE TWENTY-SEVENTH MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD AT GARISSA ON WEDNESDAY, 6th DECEMBER, 1972, AT 11.00 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
 THE HON. K. KINYANJUI, M.P.  
 THE HON. I. K. MUTHUA, M.P.  
 THE HON. D. O. AMAYO, M.P.  
 THE HON. G. A. EMOTO-EBU, M.P.  
 THE HON. D. O. AMAYO, M.P.  
 THE HON. P. N. MUNYASIA, M.P.

*In Attendance:*

THE HON. A. A. MOHAMED, M.P.  
 MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.

*Introduction.*—Mr. Chairman introduced the Members of the Committee to the members of the public who appeared to give evidence and read to them the Committee's terms of reference.

*Minute 76—Evidence.*—The following persons appeared and gave their evidence before the Committee:—

MR. A. K. BIRGEN  
 MR. S. O. OKEYO  
 CHIEF ADAM SHABEL HASSAN  
 MR. ALI HERY  
 MR. MOHAMED HAJI  
 MR. S. S. P. ONGANDI  
 MR. S. B. NYAKUNDI

*Minute 77—Adjournment.*—The Committee adjourned at 1.45 p.m. until Thursday, 7th December, 1972 at Marsabit.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

11th April, 1973.

**MINUTES OF THE TWENTY-EIGHTH MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD AT MARSABIT ON THURSDAY, 7th DECEMBER, 1972, AT 11.00 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
 THE HON. K. KINYANJUI, M.P.  
 THE HON. G. A. EMOTO-EBU, M.P.  
 THE HON. D. O. AMAYO, M.P.  
 THE HON. I. K. MUTHUA, M.P.  
 THE HON. P. N. MUNYASIA, M.P.

*In Attendance:*

THE HON. A. KHOLKHOLLE, M.P.  
 MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.

*Introduction.*—Mr. Chairman introduced the Members of the Committee to the members of the public who appeared to give evidence and read to them the Committees' terms of reference.

*Minute 78—Evidence.*—The following persons appeared and gave their evidence.

HON. A. KHOLKHOLLE, M.P.  
 MR. ELISA D. GODANA  
 MR. HASSAN MUSA  
 MR. SORI ORTO  
 MR. ANDREW AILA  
 MR. PETER LEKISAAI

*Minute 79—Adjournment.*—The Committee adjourned at 1.15 p.m.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

11th April, 1973.

**MINUTES OF THE TWENTY-NINTH MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD IN CONFERENCE ROOM 7, PARLIAMENT BUILDINGS, ON WEDNESDAY, 11th APRIL, 1973**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)

THE HON. H. R. CHEBOIWO, M.P.

THE HON. E. T. MWAMUNGA, M.P.

THE HON. D. O. AMAYO, M.P.

THE HON. P. N. MUNYASIA, M.P.

THE HON. G. A. EMOTO-EBU, M.P.

THE HON. K. B. MWAMZANDI, M.P.

In Attendance:

MR. H. B. N. GICHERU, Clerk Assistant, in the National Assembly.

MR. J. K. MASYA, Third Clerk Assistant, in the National Assembly.

*Minute 80.*—The Committee decided to collect further evidence as follows:—

*Wednesday, 18th April, 1973*

The Millers  
The K.N.F.U.  
The K.F.A.  
The K.S.C.

*Thursday, 19th April, 1973*

Maize and Produce Board.  
The Ministry of Finance and Economic Planning.  
The Ministry of Agriculture.

*Minute 81.*—The Committee adjourned at 11.30 a.m. until Wednesday, 18th April, 1973, at 9 a.m.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

18th April, 1973.

**MINUTES OF THE THIRTIETH MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD IN CONFERENCE ROOM 7, PARLIAMENT BUILDINGS, ON WEDNESDAY, 18th APRIL, 1973, AT 9.00 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)

THE HON. D. O. AMAYO, M.P.

THE HON. H. R. CHEBOIWO, M.P.

THE HON. I. K. MUTHUA, M.P.

In Attendance:

MR. H. B. N. GICHERU, Clerk Assistant in the National Assembly.

MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.

*Minute 82.*—The Committee approved the Minutes of the previous Meeting and were confirmed by the Chairman.

*Minute 83—Evidence.*—The Committee inquired and collected extra evidence from:—

Mr. W. Brian Mickie, Group Financial Director, and Mr. J. Pollack, General Manager, both of Unga Ltd., Nairobi. Mr. David Wanguhu, Chairman; Mr. H. W. Von Kaufman, Deputy

Chairman; Mr. J. H. Feingold, Executive Officer; Mr. Musa Amalemba, Managing Director, K.F.A. (Co-op.) Ltd., Nakuru.

*Minute 84.*—Postponement of collection of Evidence; because the House was going to sit in the morning hours during the following day, the Committee resolved and decided to continue collecting further evidence as follows:—

*Thursday, 26th April, 1973*

Maize and Produce Board.  
The Ministry of Finance and Economic Planning.  
The Ministry of Agriculture.

*Minute 85—Adjournment.*—The Committee adjourned at 12.15 p.m. until Thursday, 26th April, 1973, at 9 a.m.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

26th April, 1973.

**MINUTES OF THE THIRTY-FIRST MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD IN CONFERENCE ROOM 7, PARLIAMENT BUILDINGS, ON THURSDAY, 26th APRIL, 1973, AT 9.00 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
 THE HON. G. A. EMOTO-EBU, M.P.  
 THE HON. H. R. CHEBOIWO, M.P.  
 THE HON. K. B. MWAMZANDI, M.P.  
 THE HON. D. O. AMAYO, M.P.  
 THE HON. K. KINYANJUI, M.P.

In Attendance:

MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.

*Minute 86.*—The Committee approved the Minutes of the previous Meeting and were confirmed by the Chairman.

*Minute 87—Evidence.*—The Committee inquired and collected extra evidence from:—

MR. W. K. MARTIN, General Manager and  
 MR. C. WEBB, Chief Accountant, both of  
 Maize and Produce Board.

MR. PHILIP NDEGWA, Permanent Secretary,  
 Ministry of Finance and Economic Planning.

MR. J. G. KIBE, *Permanent Secretary*,

MR. A. I. MACHAYO, Head, Crop Production  
 Division, both of the Ministry of Agriculture.

*Minute 88—Consideration of the Second Phase.*—The Committee considered and resolved to meet again on 10th May, 1973, to plan the way the Committee ought to write the Report.

*Minute 89—Adjournment.*—The Committee adjourned at 1.45 p.m. until Thursday, 10th May, 1973 at 9 a.m.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

16th May, 1973.

**MINUTES OF THE THIRTY-SECOND MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD IN CONFERENCE ROOM 7, PARLIAMENT BUILDINGS, ON WEDNESDAY, 16th MAY, 1973, AT 9.00 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
 THE HON. W. M. SAINA, M.P.  
 THE HON. D. O. AMAYO, M.P.  
 THE HON. P. N. MUNYASIA, M.P.  
 THE HON. G. A. EMOTO-EBU, M.P.

In Attendance:

MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.

DR. JUDITH HEYER, Senior Lecturer, Department of Economics, University of Nairobi.

*Minute 90—Confirmation of Minutes.*—The Committee approved the Minutes of the previous Meeting and were confirmed by the Chairman.

*Minute 91—Procedure for Drafting the Final Report.*—The Committee discussed in detail the best procedure to be followed when drafting the final Report and resolved that the Committee would be sitting as from 28th May, 1973, onwards to peruse the memoranda presented and the evidence collected and subsequently be in a position to establish the basic structures of the Report as a prelude to writing in detail the final Report.

*Minute 92—Adjournment.*—The Committee adjourned at 10 a.m. until Monday, 28th May, 1973 at 9.30 a.m.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

28th May, 1973.

**MINUTES OF THE THIRTY-THIRD MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD IN CONFERENCE ROOM 9, ON MONDAY, 28th MAY, 1973, AT 9.30 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
 THE HON. P. N. MUNYASIA, M.P.  
 THE HON. G. A. EMOTO-EBU, M.P.  
 THE HON. K. B. MWAMZANDI, M.P.  
 THE HON. D. O. AMAYO, M.P.

*Apology.*—Apology for being absent was received from the Hon. I. K. Muthua, M.P.

**In Attendance:**

MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.  
 DR. JUDITH HEYER, Senior Lecturer, Department of Economics, University of Nairobi.

*Minute 93—Confirmation of Minutes.*—The Committee approved the Minutes of the previous Meeting and were confirmed by the Chairman.

*Minute 94—Drafting the Final Report.*—The Committee discussed in detail and established the basic features that the Final Report, and as far as part (a) of the Committee's terms of reference is concerned, should take.

*Minute 95—Provision for the Main Act.*—The Committee advised that the Act governing the management of the Maize and Produce Board should be supplied to each of the Members to enable them to be within the provisions of the law when drawing the final Report. The Committee was advised that it would be checked whether enough copies of the said Act are available for distribution.

*Minute 96—Adjournment.*—The Committee adjourned at 12.45 p.m. until Tuesday, 29th May, 1973 at 9.30 a.m.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

29th May, 1973.

**MINUTES OF THE THIRTY-FOURTH MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD IN CONFERENCE ROOM 9, ON TUESDAY, 29th MAY, 1973, AT 9.30 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
 THE HON. P. N. MUNYASIA, M.P.  
 THE HON. G. A. EMOTO-EBU, M.P.  
 THE HON. K. B. MWAMZANDI, M.P.

**In Attendance:**

MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.  
 DR. JUDITH HEYER, Senior Lecturer, Department of Economics, University of Nairobi.

*Minute 97—Confirmation of Minutes.*—The Committee approved the Minutes of the previous Meeting and were confirmed by the Chairman.

*Minute 98—Drafting the Final Report.*—The Committee discussed in detail and established the basic features that the Final Report, and as far as parts (b) and (c) of the Committee's terms of reference are concerned, should take.

*Minute 99—Adjournment.*—The Committee adjourned at 12 noon until Wednesday, 30th May, 1973 at 9 a.m.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

30th May, 1973.

**MINUTES OF THE THIRTY-FIFTH MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD IN CONFERENCE ROOM 9, ON WEDNESDAY, 30th MAY, 1973, AT 9.00 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
 THE HON. P. N. MUNYASIA, M.P.  
 THE HON. G. A. EMOTO-EBU, M.P.  
 THE HON. K. B. MWAMZANDI, M.P.  
 THE HON. D. O. AMAYO, M.P.  
 THE HON. W. M. SAINA, M.P.

**In Attendance:**

MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.  
 DR. JUDITH HEYER, Senior Lecturer, Department of Economics, University of Nairobi.

*Minute 100—Confirmation of Minutes.*—The Committee approved the Minutes of the previous Meeting and were confirmed by the Chairman.

*Minute 101—Drafting the Final Report.*—The Committee discussed in detail and established the basic features that the Final Report, and as far as part (c) of the Committee's terms of reference is concerned, should take.

*Minute 102—Adjournment.*—The Committee adjourned at 11.15 a.m. until Wednesday, 6th June, 1973 at 2 p.m.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

6th June, 1973.



**MINUTES OF THE THIRTY-SIXTH MEETING OF THE SELECT COMMITTEE ON THE  
MAIZE INDUSTRY HELD IN CONFERENCE ROOM 9, PARLIAMENT BUILDINGS, ON  
WEDNESDAY, 6th JUNE, 1973, AT 2.00 p.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
THE HON. P. N. MUNYASIA, M.P.  
THE HON. G. A. EMOTO-EBU, M.P.  
THE HON. H. R. CHEBOIWO, M.P.  
THE HON. K. KINYANJUI, M.P.  
THE HON. I. K. MUTHUA, M.P.

*Apology.*—An apology for being absent was received from the Hon. D. O. Amayo, M.P.

*In Attendance:*

MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.  
DR. JUDITH HEYER, Senior Lecturer, Department of Economics, University of Nairobi.

*Minute 103—Confirmation of Minutes.*—The Committee approved the Minutes of the previous Meeting and were confirmed by the Chairman.

*Minute 104—Matters Arising.*—That the names of the Hon. H. R. Cheboiwo, M.P., and Hon. K. Kinyanjui, M.P., should appear as having tendered their apologies for their absence during the last three meetings of the Committee.

*Minute 105—Postponement of the Sitting.*—The Committee adjourned from 2.45 p.m. until 3.30 p.m. to allow Members to read through the preliminary draft on part (a) of the terms of reference.

*Minute 106—Meeting resumed.*—The Committee resumed its sitting at 3.30 p.m.

*Minute 107—Drafting the Final Report.*—The Committee discussed and decided the final draft that the Report should take in so far as part (a) of the Committee's terms of reference is concerned.

*Minute 108—Adjournment.*—The Committee adjourned at 5.45 p.m. until Thursday, 7th June, 1973 at 10 a.m.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

7th June, 1973.

**MINUTES OF THE THIRTY-SEVENTH MEETING OF THE SELECT COMMITTEE ON THE  
MAIZE INDUSTRY HELD IN CONFERENCE ROOM 9, PARLIAMENT BUILDINGS, ON  
THURSDAY, 7th JUNE, 1973, AT 10.00 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
THE HON. G. A. EMOTO-EBU, M.P.  
THE HON. P. N. MUNYASIA, M.P.  
THE HON. K. KINYANJUI, M.P.  
THE HON. H. R. CHEBOIWO, M.P.  
THE HON. W. M. SAINA, M.P.  
THE HON. I. K. MUTHUA, M.P.

*In Attendance:*

MR. J. O. KIMORO, First Clerk Assistant in the National Assembly.  
MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.  
DR. JUDITH HEYER, Senior Lecturer, Department of Economics, University of Nairobi.

*Minute 109—Confirmation of Minutes.*—The Committee approved the Minutes of the previous Meeting and were confirmed by the Chairman.

*Minute 110—Drafting the Final Report.*—The Committee continued to discuss the preliminary draft of the Final Report and took final decision on the draft in as far as part (b) of the Committee's terms of reference is concerned.

*Minute 111—Adjournment.*—The Committee adjourned at 12.45 p.m. until Wednesday, 13th June, 1973, at 9 a.m.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

13th June, 1973.

**MINUTES OF THE THIRTY-EIGHTH MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD IN CONFERENCE ROOM 9, PARLIAMENT BUILDINGS, ON WEDNESDAY, 13th JUNE, 1973, AT 9.00 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
THE HON. W. M. SAINA, M.P.  
THE HON. K. B. MWAMZANDI, M.P.  
THE HON. D. O. AMAYO, M.P.  
THE HON. G. A. EMOTO-EBU, M.P.  
THE HON. K. KINYANJUI, M.P.

*In Attendance:*

MR. H. B. N. GICHERU, Second Clerk Assistant in the National Assembly.  
MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.  
DR. JUDITH HEYER, Senior Lecturer, Department of Economics, University of Nairobi.

*Minute 112—Confirmation of Minutes.*—The Committee approved the Minutes of the previous Meeting and were confirmed by the Chairman.

*Minute 113—Drafting the Final Report.*—The Committee continued to discuss the preliminary draft of the Final Report and took final decision on the draft in as far as (c) and the introductory parts of the Committee's terms of reference are concerned.

*Minute 114—The Final Meeting.*—The Committee resolved to meet again on Wednesday, 27th June, 1973 at 9 a.m. to go through the complete, amended Final Report before sanctioning it for printing.

*Minute 115—Adjournment.*—The Committee adjourned at 12.45 p.m. until Wednesday, 27th June, 1973 at 9 a.m.

Confirmed.

WAFULA WABUGE,  
*Chairman.*

27th June, 1973.

**MINUTES OF THE THIRTY-NINTH MEETING OF THE SELECT COMMITTEE ON THE MAIZE INDUSTRY HELD IN CONFERENCE ROOM 9, PARLIAMENT BUILDINGS, ON WEDNESDAY, 27th JUNE, 1973, AT 9.00 a.m.**

*Present.*—The following Members of the Committee were present:—

THE HON. W. WABUGE, M.P. (*Chairman*)  
THE HON. G. A. EMOTO-EBU, M.P.  
THE HON. K. B. MWAMZANDI, M.P.  
THE HON. P. N. MUNYASIA, M.P.  
THE HON. H. R. CHEBOIWO, M.P.  
THE HON. K. KINYANJUI, M.P.

*In Attendance:*

MR. J. K. MASYA, Third Clerk Assistant in the National Assembly.  
DR. JUDITH HEYER, Senior Lecturer, Department of Economics, University of Nairobi.

*Minute 116—Confirmation of Minutes.*—The Committee approved the Minutes of the previous Meeting and were confirmed by the Chairman.

*Minute 117—Drafting the Final Report.*—The Committee scrutinized the Final Report and sanctioned it for printing.

*Minute 118.*—The Committee adjourned *sine die* at 11.15 a.m.

