

NOTE: The Editor reserves the right to edit and reject letters. Pseudonyms may be used but must be clearly marked as such. All correspondence, including e-mails and SMSs, must include your name, address and a daytime telephone number. Preference will be given to shorter letters on topical issues.

Write to: PO Box 12141 Kampala Email: letters@ug.nationmedia.com

Letters

I am going to walk for Africa's youth

In a bid to encourage African youth to work towards developing the African continent, I have come up with a plan, a walk from Kampala, Uganda to Addis Ababa, Ethiopia via Nairobi, a journey of 2,144 kilometres. This walk is scheduled to take place in 75 days beginning on June 1 to August 14. It will take two months and 15 days. Thereafter, chief convener of the long walk to Addis Ababa, Hakim Owiny will address African Union Youth Envoy in Addis Ababa on how the youth can take a pivotal role in achieving the AU Agenda 2063 starting with their immediate communities.

This cause will inspire youth on the continent to promote value creation actions. During the 75-day journey, I shall constantly engage youth along the way in community development dialogues starting with local communities. The cause is also to encourage young Africans to make deliberate efforts to develop the continent instead of dreaming to live and work abroad and also to discourage those ones who are risking their lives to cross the sea for better life abroad than home. Hakim Owiny, Kampala

Stealing undermines Museveni's message

I agree with President Museveni that God does not want lazy people. This is a truly biblical position. I am also hopeful that the people he addressed in Lira and Ugandans in general will understand that *lonyo* (wealth) and *tic* (work) go together. I would, however, like to introduce the President to another word that I believe would complete his message and put it in context for many hard working Ugandans. The word *kua/okua* (stealing/theft/thieves).

It is unfortunate that as the President preaches *tic*, *kua otany* (theft) has become an epidemic around him. It is in plain sight that many Ugandans have outrageous wealth with very little or no work at all to justify it. The President would do well to find out where all this "workless" wealth is coming from and deal with it decisively. Otherwise his message will continue to be undermined by the reality on the ground - that the shortcut called stealing is overshadowing the highway of work and this shortcut needs to be closed so that the highway can serve its intended purpose.

Sam Ewou, Kampala

LETTER OF THE DAY

Address rising taxes on SMEs

The privatisation drive and the civil and public service reforms in Uganda that began in the early 1990s laid a foundation for increased number of small business enterprises. By 2002, small-scale enterprises were employing about two million people and serving about six million at business and household levels. According to the 2010 survey by Uganda Bureau of Statistics, SMEs account for about 80 per cent of the industrial sector in Uganda scattered in household utilities, food and beverages, fabricators of metal, steel and concrete, telecommunication, ICT and construction. SMEs are the prime source of new jobs and they play a crucial role in income generation, especially for the poor.

Globally, SMEs are a very heterogeneous group. Thus, the definitions of what constitutes SMEs vary from country to country. However, there is consensus in literature that SMEs are those enterprises employing a maximum of 50 people according to the Ministry of Finance. To support SMEs in Uganda, government has over the years implemented a number of initiatives, policies and programmes to enhance the development of enterprises in Uganda. Some of these initiatives include:

Business Uganda Development Scheme (BUDS) implemented by the Private Sector Foundation Uganda,



the Master Craftsman Programme implemented by Uganda Small Scale Industries Association, etc.

Despite these initiatives, majority of SMEs have continuously failed to grow. A report by the Ministry of Finance indicated that growth of SMEs in Uganda has continued to fluctuate. This is evident from a marginal growth rate of 0.4 per cent reported in financial year (FY) 2015/2016 compared to 11 and 2.2 per cent of growth registered in FY 2014/2015 and 2013/14 respectively.

Literature shows that most SMEs will begin small and eventually die small without experiencing any expansion. SMEs in Uganda still face a number of challenges. The inherent constraints faced by SMEs in Uganda include limited access to finance; lack of entre-

preneurial skills; lack of general skills in management, marketing and financial planning; lack of business plans; lack of business records; deficient corporate governance; short-term business outlook; poor banking and borrowing history; and a culture that disrespects business contracts, among others. These substantially limit the productive capacity and competitiveness of SMEs in Uganda within the context of globalisation.

In addition, SMEs in Uganda are unable to meet quality standards, are inconsistent with volumes of goods supplied, pricing and breach business contracts, credit utilisation and repayment, etc. Majority of these enterprises have remained informal due to several barriers to trade such as formal registration and lack of high value collateral. SMEs are characterised by inadequate innovation due to lack of access to ICT and new technologies hence failure to match the ever-changing business environment in Uganda.

Another challenge facing a broad spectrum of SMEs in Uganda is the heavy tax burden. Though taxes levied on SMEs are vital for growth of the economy and more specifically, for promotion of SMEs through provision of public goods such as infrastructure. Denis Arop Nono, aropdeno@yahoo.co.uk

It's wrong for taxpayers to foot MPs' OTT tax bills

Socialism can be defined as a system that advocates for collective governmental ownership and administration of the means of production and distribution of goods.

One cannot help observing that many political elite seem to benefit from the distribution of goods from the government, which is not the case for many Ugandans. That epitomises "socialism for the rich and capitalism for the poor," a term used by Martin Luther King, Jr and other intellectuals.

The media reported that taxpayers will have to foot the legislature's social media tax bills (the Speaker of Parliament has rejected it), which has tickled many ordinary people the wrong way. Many social media users were opposed to the tax. It is, therefore, hypocritical to compel the already overburdened taxpayers to pay OTT tax and exempt MPs. If social media tax is a luxury, do the MPs need to have "free" access to it?

The other day, Parliament authorised government to write off Shs500b tax

arrears for private companies and government agencies. Let us not forget "Investors" who are given tax breaks. The same can't be said about most Ugandans. What about tax rebates for most Ugandans? Many are declared public enemy number one for failing to pay their taxes.

Taxpayers footing MPs' OTT bills is a microcosm of "socialism for the rich and capitalism for the poor in Uganda." This is totally unacceptable.

Andrew Barungi, andybk82@yahoo.co.uk



ALARM BELLS

GOT A PROBLEM IN YOUR AREA?

Write to Alarm Bells at letters@ug.nationmedia.com or The Daily Monitor, PO Box 12141, Kampala.

MPS' PAY INCREMENT QUERIES

Rose Nabweteme says: "The story that Public Service Commission (PSC) has ordered the acting executive director of Kampala Capital City Authority (KCCA), Mr Andrew Kitaka, to advertise all vacant positions in the institution to ensure formalisation and work efficiency is very strange. First, does it have to take government to remind KCCA that the available vacancies have to be advertised for qualified people to apply. But the bigger question is, how did KCCA recruit the people occupying offices some of which are supposed to be advertised. In my view, for KCCA to deliver much of the needed services in the city, it has to employ qualified and committed personnel in its ranks."



NANTABA'S REVELATION

Alfred Mugoya says: "Wait a minute! Did I read in the media that the gunmen killing notable Ugandans are not agents of Allied Democratic Front (ADF) rebel group as police previously said, but assassins from State security agencies? And this information coming from none other than the Minister of State for ICT, Ms Idah Nantaba, how do you expect citizens to react to it? But most importantly, how are the security agencies supposed to react to this very pointed accusations against them. First, the President said the police are infiltrated by *kawukumi*, and now, a minister is now says state are out to kill. What a paradox!"

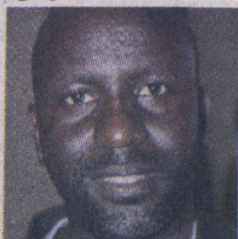
COMMENTS FROM OUR READERS > STEPHEN OTAGE

Should Parliament pay journalists allowance to cover its activities?



"Journalists need good pay to do a good job and this is how the truth will come out. Many journalists struggle to get facilitation to pursue stories."

Prudence Ukonika,
Wine Maker



"It is their duty to report to the public things which they see. If Parliament pays them allowances, it will compromise their (journalists) independence to question MPs."

Deus Mubangizi,
Salesman



"Why should Parliament pay journalists allowances for covering its activities? Do they think it is a privilege? Parliament is a news beat like any other if I am not mistaken."

James Odemel,
Journalist



"Don't their media houses pay them for doing that work? It is like me hiring a manager who expects another client to pay his allowances; that is wrong. Parliament shouldn't pay."

Sarah Koroby,
Administrator

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AAR CLINICS CLOSE OVER STRIKE

Robert Mugalu says: "The news that at least eight out of the 11 private clinics operating under the Africa Air Rescue (AAR) Healthcare Uganda, have been closed since last Friday after doctors went on strike, protesting low salaries compared to their counterparts in other private and public hospitals. This is not only bad news for AAR clients, but also for the nation's entire health sector. What disturbs me most is that AAR managers and the striking health workers left the matter to reach this far. What happened to negotiations so as to arrive at amicable positions?"