

Socio-Economic Background of Street Vendors: A Study of Thalassery Municipality

Manoj Chathoth

Assistant Professor of Economics, Government Brennen College, Thalasserry

Abstract- The street vendor represents a vital part of the economy in many countries. The street vendors are an integral component of the informal sector. They contribute significantly to the GDP of an economy, they earn their livelihood through this vending job. But still street vendors have poor socio-economic conditions. They faces many challenges in working places and their daily life like lack of infrastructure facilities, low income, health issues, uncertainty and insecurity etc. The study demonstrates the street vendors are playing key role in providing goods and services to urban poor people. The street vending is characterised by low level of income, easy to entry, unskilled knowledge. The number of people earn money and living their livelihood by selling wide range of goods and services on the street. Street vending remain available source of employment for many. Majority of the employment or workforce engaged into informal or unorganised sector. Street vendors are playing key role and they are contributing to the informal sector, the rapid expanding of urban population with lack of income for fulfilling their basic needs.

Key words: Informal sector, street Vendor

1.0. INTRODUCTION

Urbanisation is the most significant all India phenomenon of our times. The city has today become an engine of growth, the main job provider. 29% of the people of the country generate 60% of the GDP. However, our cities remain ill-prepared to address the problem of poverty. Planning and governance continues to be the preserve of the politician-mafia-bureaucrat nexus. Whatever policy that does exist is poorly implemented. There is unabated official and social hostility towards the informal sector, even though the formal sector has ceased to grow, having reached saturation point.

In developing countries there is rapid growth of informal sector. As the cost of creating jobs in informal sector is very low, it needs to be integrated

into the context of the overall macro-economy. However, we must first remove the obstacles in the way of the informal sector's functioning. Cross (2000) submits that the informal economy covers people who dealing goods and services without any legal backing, illegal occupation of places of conducting the business, absence of tax returns, no employment contracts and no legal contract with suppliers and clients. In the last two decades, the informal sector has seen tremendous expansion. In the same vein, Portes and Sassen-Koob (1987) asserted that the informal sector has subsistence-based, entails small-scale activities and subcontracting to home workers and other unknown or underground enterprises.

Street vendors form a very important component of the urban informal sector in India. It is estimated that the total number of street vendors in the country is around 10 million. They comprise around 2% of the total population in the metropolitan cities. In most Indian cities urban poor survive by working in the informal sector. Poverty and lack of gainful employment in the rural areas and in the smaller towns drive large numbers of people to the cities for work and livelihood. The street vendors as a person who offers goods for sale to the public at large without having any permanent built-up structure from which to sell. Street vendors may be stationary in the sense that they occupy space on the pavements or other public/private space, or mobile in the sense that they move from place to place by carrying their wares on push carts or their heads. Street vendors are a community of entrepreneurs who sustain on informal livelihoods but here they have to stay and work in inhuman condition in order to save money for their families. The economic hardships experienced by many young people in India have resulted in the creation of several strategies in search of better livelihoods around 65% of the state's population is living in rural areas and those people are depending up on the agricultural

work. Due to the change in weather conditions and low rainfall many people are migrated from rural to urban. Street hawkers or vendors, according to Bhowmik (2005), are sellers without permanent structure. Though people who sell products dominate the business of street hawking, there are street hawkers who provide services whilst others sell both products as well as provide service (Bromley, 2000). By type of business, there are several types of street vendors. They are,

- Pottery: vendors who usually sell their commodities sitting on the ground for an extended period.
- Larry: Vendors who basically mobile vendors are selling items like vegetables, fruits for an extended period.
- Mobile: In terms if mobility vendors can be classified as mobile that moves from one place to another on the same day; Generally, younger men and women are involved in this type; Mobile vendors deals with both semi and non-perishable products; Vendors sell to other hawkers or small shops and consumers; Mobile Vendors are small-scale wholesalers.
- Semi-Static units: The vendors erect a structure which is removed at the end of the day.
- Static units: Static which is more like a stall or Gumti that is used for selling commodities or providing services and fixed in a particular location.

As distributors of affordable goods and services, street vendors provide consumers with convenient and accessible retail options and form a vital part of the social and economic life of a city. Street vending as an occupation has existed for hundreds of years, and is considered a cornerstone of many cities' historical and cultural heritage.

In 2014 there was an Act came to support street vendors in India. According to this act (protection of lively hood and regulations of street vending Act,2014) is an act of the parliament of India enacted to regulate street vendors in public areas and protect their rights. It was introduced in the Lok Sabha on the 6th September. The street vendors are not recognised and regulated by state and therefor, they do not get any support from government to operate their activity. In Indian context street vendors facing more problems in the workplace from the public, police personnel,

politicians and local rowdies, migration, lighting, etc. and other lack of social securities. They find it difficult to survive and street vendors face increased hostility worldwide as they vie for a piece of public space. Urban policies and local economic development strategies rarely prioritise livelihood security for informal workers. Urban renewal projects, infrastructure upgrades and mega events routinely displace street vendors from natural markets, leaving the most vulnerable without a workplace. Some cities are working with street vendors to organisation to formulate innovative policies, programmes, and practices that enable vendors to have a voice in making their cities more inclusive.

1.1. Statement of The Problem

Presently the working conditions of street vendors in Thalasseri are quite uncertain. Street vendors are an integral component of informal sector and form a vital part of the social and economic life of a country. Most of the people find it difficult to get job in the formal economic sector due to their limited education and lack of skill for formal employment. The segment of the society experience financial exclusion. Financial exclusion is often related to more complex social exclusion issues, which makes financial literacy and access to basic financial services even more complex. Many of the people have limited choices other than taking the streets by engaging into street vending activity. The sector has not been accommodated within the city and national policies, it provide employment opportunity as a means of income generation for the urban poor. Especially for those who migrate from the rural area. In such a circumstance the study is trying to explore about the working environment of street traders with special focus on socio-economic status, institutional support some critical issue of street vendors.

1.2. Significance of The Study

Street vendors are the important category of informal sector. Street vending is pervasive across the globe, especially in developing nations. It is a significant activity related to the informal sector in urban areas. The study is attempted to explore the situations of street vendors in Thalassery. By fulfilling the basic needs of consumers, the street vendors also able to fulfil the livelihood conditions of street vendors. Street vendors provide benefits to lower income group

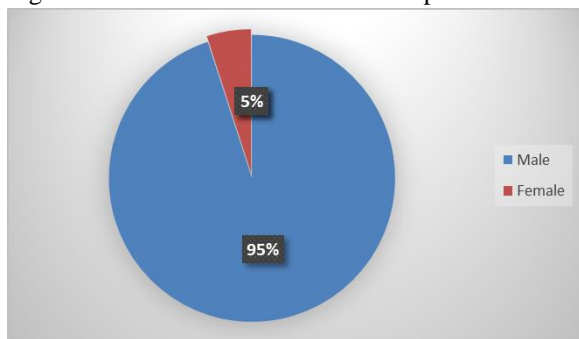
people who spent a bigger portion of their income on purchase from street vendors, because their goods are cheap and affordable. Street vending is an actual or potential source of government tax revenues and street vending serve as a social safety-net. Hawkers should be provided adequate financial and other marketing support. So that they can compete with changing market environment and other organised seller. Street vending is a major source of self-employment for poor section of community. The earning level has a significant part in determining the economic status. Success of self-employment is determined by various pro-social skill, personality development will help greatly to deal with customers. The study also serve as a stage who are interested to conduct research on street vending.

1.3. Socio-Economic Background of Street Vendors

1.3.1 Gender wise distribution of respondents

Gender wise classification of the sample population is an important indicator to understand the participation of males and females in the street vending activities. The gender wise distribution of sample data is shown in the following diagram. It shows that there is 95% of the respondents are male street vendors, were as only 5% are female street vendors. It is observed that street vending is male dominated business.

Fig.1. Gender wise classification of respondents

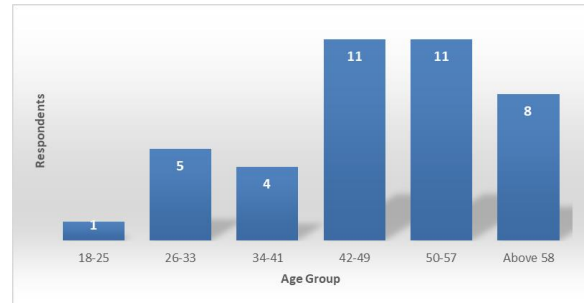


Source: Sample survey

1.3.2 Age wise distribution of respondents

Age wise distribution is help us to understand the proportion of respondents on the basis of distinction between youth and old age people’s participation, in this job. It is clear that, out of 40 respondents 1(2.5%) fall in the age group 18-25, 5(12.5%) comes under the age group 26-33, 4(10%) fall in the age group 34-41, 11(27.5%).

Fig.2. Age wise classification of the respondents

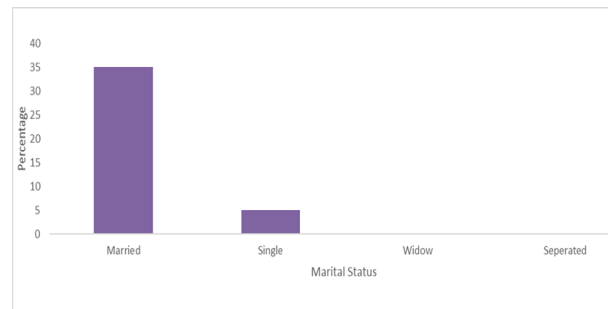


Source: Sample survey

1.3.3. Marital Status of Respondents

Classification of respondents on the basis of Marital Status help us to understand the socio economic background of the street vendors. The following diagram illustrate the marital status based analysis of the respondents. The data reveals that most of the street vendors have been married. That is 87.5% (35). Only 12% (5) is single/unmarried. Therefore, it was evident that most of the street vendors had engaged in street vending because street vending as their main and primary occupation, so 87.5% of the respondents surviving their livelihood through street vending.

Fig.3 Marital status of respondents

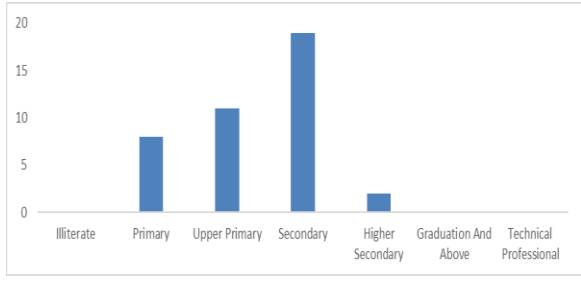


Source: Sample survey

1.3.4. Educational status

Distribution of respondents on the basis of educational qualification is one of the important indicator to understand the socio-economic background of street vendors. There is 47.5% of the respondents achieved only secondary level education. In spite of the low education, they have tried to manage the life in best possible ways.

Fig.4 Educational wise distribution of the respondents.

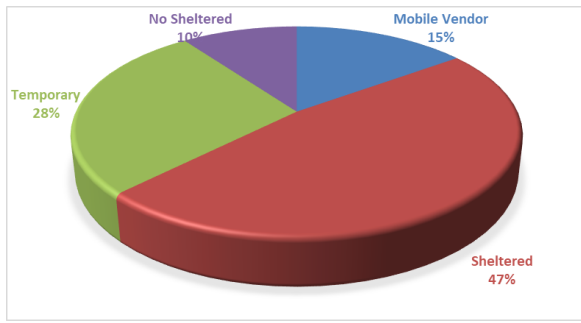


Source: Sample survey

1.3.5. Types of vendors

Distribution of respondents on the basis of types of street vendors in urban area indicate the social background of the street vendors. Data reveals that street vendors dependent on mobile vending cart, were (47.5%) of street vendors are in sheltered then, (27.5%) street vendors are in temporary sheltered and (10%) street vendors dependent on no sheltered, among thus most of them are highly engaged in sheltered that 47.5%.

Fig.5 Distribution of respondents on the basis vendor type

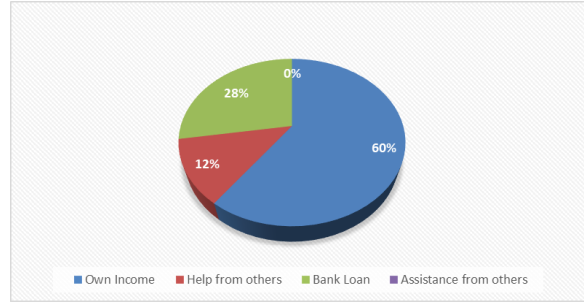


Source: Sample survey

1.3.6. Sources of capital

Classification of respondents on the basis of the sources of capital help us to understand the financial background of the street vendors. Analysis shows that the 60% of the respondents are contributed to their own income as a sources of capital to start the street vending trade. Due to lack of investment requires, majority of the street vendors uses their own income as a capital. They opted for street vending because it is not only one of the easiest means of earning a living but also requires only a small financial input.

Fig.6. Sources of capital of respondents

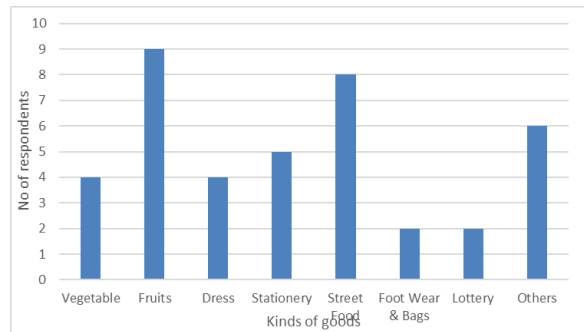


Source: Sample survey

1.3.7. Trading goods

A survey was conducted to know about the commodity they sell, more than half of the informants sell fruits, street foods and other commodities. It shows that the vendors depends on edible product rather than household items for selling.

Fig.7. Distribution of respondents on the basis of trading goods.



Source: Sample survey

1.3.8. Reason for vending

The main reason for street vending is due to less investment, health issue, hereditary and other factors only less skills are needed to do the job. The study reveals that 55% person enter to this job due to less investment. Whereas only 10% of people are doing this job due to hereditary. Other factors like health issues are also influencing to choose this job.

1.3.9 Working hours

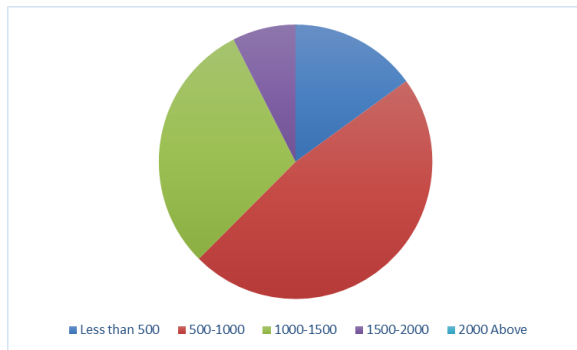
Street vending is a struggling job. The working hour's wise distribution of the street vendors revealed that the working stress of the street vendors. The study reveals that only 7.5 % of the respondents working less than 8 hours, were as 47.5% of the respondents working than 12 hours. Along with 27.5% of the respondents works between 10 to 12 hours. That means 75% of the

respondents work more than 10 hours per day. These indicate that the hefty working conditions of the street vendors in terms of working hours. Data also shows that 57.5% of the respondent works in holydays. Because street vending is the only occupation. They surviving their livelihood through the street vending. These reveals the poor working conditions of the street vendors due to the poor economic status, they forced to work in the holydays too.

1.3.10. Daily Income of vendors

Wage is an important factor to the minimum standard of living that highly effect the street vendors in many ways. The following figure shows that the distribution of respondents on the basis of daily income. The street vendor do not have a fixed daily income it may be changing that means sometimes they will get high income and at the sometime they also get low. The data shows that the daily income less than 500 is (15%) and 47.5% of people are earning to 500-1000. Whereas there is no one that earns above 2000.

Fig.8. Classification of respondents on the basis of daily income



Source: Sample survey

1.3.11. Types of Stay of vendors

Distribution of respondents on the basis of types of stay help us to understand the economic background of street vendors. It is revealed that there are 92.5% of the respondents are possessing their own hose. That reveals possessing own house is a great relief for majority of the respondents. The sample population 7.5% respondents lived in rented house.

1.3.12. Members of family of vendors

The members of the family help to street vendors to reduce their workload. It is found that 20% of them are supported by family members in street vending. It is not always possible to employ a person to help in

vending. In many cases, family members help to ease the work, which is mostly seen in street food. Where family members help in cutting, mixing and other works. Remaining 55% of street vendors do not get any family support.

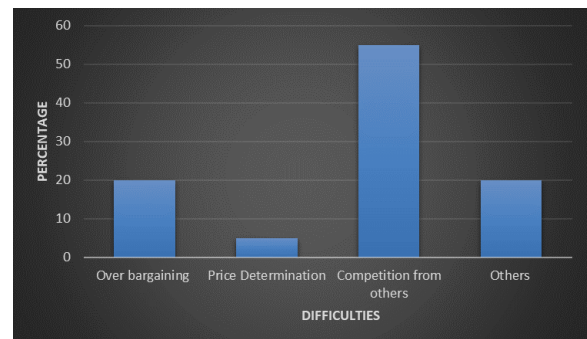
1.3.13. Purchasing Goods by Vendors

Street vendors collect their raw materials in various way. Collecting raw materials from various places and in various ways is one of the important indicator to understand their working conditions. The data reveal that street vendors purchase raw materials or goods through wholesaler, retail, agent or some other sources. 62.5% of street vendors purchase goods through wholesaler.

1.3.14 Difficulties faced by the street vendors

Distribution of respondents on the basis of difficulties faced by the street vendors help us to understand the working conditions of street vendors. The street vendors facing many difficulties in their life, that is the problem faced while working. The difficulties are over bargaining, price determination, competition from others and other factors also.

Fig.9. Difficulties faced by the street vendors

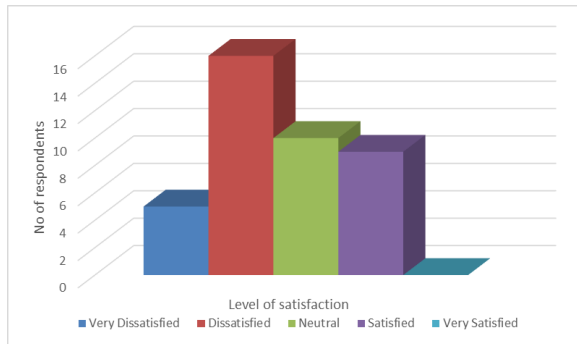


Source: Sample survey

1.3.15 Level of satisfaction

More than 50% of street vendors are responded that they are not satisfied in their business. 25% of the street vendors are included in neutral level satisfaction due to lack of basic health and welfare service and social protection and work in an unhealthy and unsafe working environment.

Fig.10. Satisfaction level of respondents regarding their business



Source: Sample survey

1.4. SUGGESTIONS

- If the government make more security in work place in the street vending job. It helps to increase in the women participation in the street vending job. There by reduce the existing gender discrimination in these job to an extent.
- There is a need to improve street vendors union or need to make it strong, because unions play a vital role in providing awareness of street vendors Act to street vendors.
- By ensuring environmental protection, by reducing usage of plastic and by giving awareness about waste disposal environmental related health issues like allergies can be reduced.
- The government should provide more institutional support to street vendors.
- Street vendors should be issued ID card and licenses for street vending.
- Municipality should provide some facilities like vending cart, vehicles etc., it is a great relief to poor street vendors.

1.5. CONCLUSION

The in depth analysis of the socio economic conditions of the street vendors in Thalasseri town has led to the obvious conclusion that their economic condition is really worse and there is a need for concrete action plan to improve the socio-economic conditions of the street vendors. They faces many problems like economic instability, Health issues, Lack of institutional support etc. They work about more than 10 hours per day. Uncertainty and insecurity are the major problems. But the contribution of street vending is very important to the overall economy. In cities street vendors has important role to provide goods for

the consumers at cheaper rate (affordable price). They meet consumer’s day to day needs. They sell many kinds of good items like vegetables, fruits, stationaries, clothes, food items, etc.. These job require only low skills and low investment, so many of them decided to select street vending as a primary occupation.

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