Work and Livelihood Strategies: Street Vendors in Mumbai.

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Definition: Informal Sector.
Informal Sector = Unorganised Sector in India.

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Informal Sector.

- 1972 – Keith Hart coined the term “Informal Sector” while his study in Ghana with street vendors.

Definition: The informal sector has been given a number of interpretations by different authors.

- According to ILO and UNDP, 1972 refers "to the non-structured sector that has emerged in the urban centers as a result of the incapacity of the modern sector to absorb new entrants...".


- Dualist Theory Approach. Urban ← Rural migration.
Informal Sector = Unorganised Sector in India.

- In India, the term informal sector has not been used in the official statistics or in the National Accounts Statistics (NAS). The terms used in the Indian NAS are ‘organised’ and ‘unorganised’ sectors.
- The National Sample Survey Organisation (NSSO) carried out a sample survey in 1999-2000 and its results showed that out of total workforce of 397 million, only 28 million workers are employed in the organised sector and remaining in the unorganised sector.
- Thus in India 94% of total workforce is in Unorganised sector.
- Employees are considered in informal employment when their employment relationship, in law or practice, is not subject to:
  - National labour legislation,
  - Income taxation,
  - Social protection or
  - Entitlement to certain employment benefits, e.g. paid annual leave, sick leave, etc.
- Labour relations - where they exist - are based mostly on casual employment, kinship or personal and social relations rather than contractual arrangements with formal guarantees.
Definition: Street Vendor.

- A street vendor is broadly defined as a person who offers goods or services for sale to the public without having a permanent built-up structure but with a temporary static structure or mobile stall (or headload). Street vendors may be stationary by occupying space on the pavements or other public/private areas, or may be mobile in the sense that they move from place to place carrying their wares on push carts or in cycles or baskets on their heads, or may sell their wares in moving bus, train etc.

All other local/region specific terms used to describe them, such as, hawker, sidewalk traders, pheriwalla, rehri-patri walla, footpath dukandars, etc.

*National Policy For Urban Street Vendors, 2006.*
Why Street Vending:

Reasons for Street Vending:

- Due to closure of Textile mills - industries in Mumbai there is a large section of the urban population that has taken to street vending.

- Migrated to the urban places from rural areas or small towns in search of employment.

- Compared to the better paid jobs in the formal sector - low skills are required and lack the level of education.

- It requires minor financial input though the income too is low.

- Shrinkage of jobs in the formal sector.
Working Conditions.

• Most of them (90%) leave their homes by 6:00 or 7:00 and return late at night (23:00 hrs).
• These people work for over 10 hours a day under grueling conditions on the streets and are under constant threat of eviction besides the natural challenges (heat and floods).
• Their average earnings range between Rs. 40 and Rs. 80 per day (around 1 Euro). Women vendors earn even less.
• A study of street vendors in Mumbai conducted by SNDT Women’s University and ILO shows that an overwhelming majority of them suffer from ailments related to stress – hyperacidity, migraine, hypertension, loss of sleep, among others.
• Around two-thirds of hawkers (65%) reside 10 km. or more from their places of work.
• They use the public transport especially trains as they are denied entries in the buses with their wares.
• Hence they find storage facility close to their workplace, but they have no protection against theft and have to pay 20% of their earnings for it.
Existing Laws:

- From ancient times, hawking and vending have been an integral part of Indian trade and commerce. However, as the British started gaining administrative control over India, they formed laws to regulating economy to suit their administrative skills and to enhance their sense of security.

- Though the Municipality is formally headed by the Mayor (elected representative) the residue powers are vested in by the Commissioner.

- For the hawkers, The Bombay Provincial Municipal Corporation Act (1949) and The Bombay Police Act (1951) are some major legislations based on which laws were formulated by the Indian government.

- Section 313: Except under conformity with the terms and provisions of a license granted by the Commissioner, no person shall hawk or expose for sale in any public place any article whatsoever whether it be for human consumption or not.

- Section 314 (b): The Commissioner may without notice evacuate the street vendors and further can fine them or imprison them.

- Section 229: No person shall erect or set up any wall, fence, rail, post, step, booth or other structure whether fixed or movable and whether of a permanent or a temporary nature in any street so as to form an obstruction to or an encroachment upon, or a projection over, or to occupy any portion of such public place.
• The National Policy of Urban Street Vendors was adopted by the Government of India on January 20, 2004, yet majority of states are still to implement the policy through local and municipal authorities and urban planning departments.

• The New Delhi Municipal Committee (NDMC) V/S Sodhan Singh (street vendor) in New Delhi:

The Supreme Court stated that “the action by (NDMC) violated his fundamental rights, more specifically his right to carry on business or trade Article 19(1)g of the Constitution of India) in addition that, ‘If properly regulated according to the exigency of the circumstances, the small traders on the side walks can considerably add to the comfort and convenience of the general public, by making available ordinary articles of everyday use for a comparatively lesser price. An ordinary person, not very affluent, while hurrying towards his home after a day’s work can pick up these articles without going out of his way to find a regular market’”.

• The fundamental right to carry on trade or business cannot be denied on the ground that the streets are meant exclusively for passing or re-passing and no other use.’

• The judgment notes that street vending, if regulated, cannot be denied merely on the ground that pavements are meant exclusively for pedestrians.

• The most important aspect is that street vendors are exercising their constitutional right hence not abolished.
Spatial Problems.

• Even where street vending is permitted by the municipality, the police has the authority to remove them. Section 34 of the Police Act empowers the police to remove any obstructions on the streets.

• Despite the Supreme Court’s ruling, street vendors conduct their business amidst insecurity. Whenever eviction drives are conducted their wares are confiscated or even destroyed.

• “Seizure List”. (Panchanama).

• Single street vendor = Ideal situation BUT they realised that they are more vulnerable.

• No assess to the natural markets.
“Encroachers”

• Street Vendors are regarded as a public nuisance by certain elite sections of the urban population.

• NGOs representing the elite sections (residents’ associations of the upper middle class), are most vocal about eviction of street vendors from their vicinity these associations aggressively argue for restoration of pavements as public space only when street vendors ‘encroach’ on them.

• While the informal sector includes all street activities and other home-based and part-time work, street vendors have been targeted by the government in the name of public and traffic safety, sanitation and a more modern, western look as cities expand.

• Though number of public events, bazaars, religious festivals and other activities take place on our streets with the whole-hearted support and approval of government authorities.
Unions.

• Less than 20% of them are members of unions.

• The present unions are localized bodies representing street vendors in specific areas of the city.

• Most of these unions or associations are independent organizations though some of the unions are affiliates of the larger trade union federations.

• Since street vending is not officially permitted, the main role of these organizations is to negotiate with the local authorities for occupying public space.

• In general it is found that the rate of unionization is low mainly because street vendors feel that they can survive through paying rents rather than forming unions.

• Street vendors tend to view each other as competitors. Hence they prefer to negotiate directly with the authorities.

• Not only do hawkers compete with each other, but their unions too are competitive and constantly trying to use all types of resources to achieve their objectives and displace the others.
Facts and Figures.

• There are over 250,000 street vendors in Mumbai city and not more than 14,000 licenses are granted by the Municipality.
• More over, since 1989 no new licenses are issued by the MCGM.
• In Mumbai the total rents collected amount to annually 6,607,453.57 EUR.
• The sex ratio shows that less than 25% of the street vendors are females.
• Around half of the street vendors (51%) belong to Other Backward Classes and the number of Scheduled Caste vendors is low. Middle and upper castes constituted 40%.
• 48% of the vendors covered were from other state or from outside Mumbai. The majority was thus residents of Mumbai for a long period of time.
• The literacy levels of the vendors showed that 25% were illiterate while around 22% have primary education. Around 32% of the hawkers have studied up to the secondary school and the rest have higher educational qualifications.
• The better educated sells goods which are more expensive and hence more profitable. In our study too we found that illiterate vendors, especially the females, sold vegetables and flowers in small quantities.
• Most of the hawkers do not employ others on wages. Their meager earnings do not permit them this facility. round 40% of the hawkers are helped by their family members or relatives in their work.
Women Street Vendors: Exception case.

- Mumbai provides contrasts as far as female hawkers are concerned.

- The women squatting on the pavements in the working class area of Central Business District (CBD) have started hawking after the closure of the textile mills in that area.

- These women provide for most of the expenses for the household through their meager incomes, as they are the main earners.

- Case Study: The flower sellers at SiddhiVinayak temple mostly women. They used to face a lot of harassment by the police and municipal authorities while plying their trade. They then got together and formed an informal association through which they tried to get legitimacy for their work. The municipal authorities finally agreed to allot them space on the pavement where they could construct kiosks.

- They have now increased their income considerably. Their average monthly income would be around Rs.3000 (500 Euros) which has raised from Rs. 1200 (200 Euros).
Conclusion.

• The ‘designation of vendors markets/no-vending zones’ should not be left to the sole discretion of any civic or police authority but must be accomplished by a participatory process in which the street vendors are actively accommodated in the social dialogue.

• The representation of street vendors will be from membership-based organisations.

• One-third of the members representing street vendors should be women.

• If hawking is legalised and regulated, street vendors could be given the responsibility of keeping their environment clean. This would be readily accepted by them as no hawker likes to work in unhygienic surroundings.

• The beautification programmes should necessarily involve street vendors and their organisations.
Thank you.