

Street Vendors in India Urban Space: Livelihood and Government Initiatives

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Abstract

India has 35 percent of its 1.4 billion populations residing in urban area (World Bank, 2021). Informal employment is dominating in the urban area with 80 percent of the workers under informal arrangement. 50 percent of the country's GDP comes from informal sector. Street vendors comprise 4.2 percent of total employment in the urban economy (Raveendran & Joann, 2020). As per the Ministry of Urban Development and Poverty Alleviation, 10 million vendors in India contribute to 50 percent of country's savings, and 63 percent of the country's GDP comes from vendors. Article 19 (1) (g) of Indian constitution gives its citizen a fundamental right to practice any profession, or to carry on any occupation, trade or business. It means vending occupation cannot be denied by the local authorities and the state. The government policies focused on legalization of trade, planning hawking zones and skill improvement of vendors.

Keywords: Vendors, Livelihood, public policy

Introduction

India, the world's second most populous country has 35 percent of its 1.4 billion population residing in urban area (World Bank, 2021). Informal employment is dominating in the urban area with 80 percent of the workers under informal arrangement. 50 percent of the country's GDP comes from informal sector. Street vendors comprise 4.2 percent of total employment in the urban economy (Raveendran & Joann, 2020). As per the Ministry of Urban Development and Poverty Alleviation, 10 million vendors in India contribute to 50 percent of country's savings, and 63 percent of the country's GDP comes from vendors. It constitutes such an important segment of Indian informal economy which cannot be ignored. One of the characteristic features of this section of society is that they work with very small capital base. They are identified as self-employed workers in the informal sector who offer their labour to sell goods and services on the street without having any permanent built-up structure. They may be stationary i.e., occupying public places or pavements or may be mobile wherein they move from place to place carrying the goods to be sold in pushcart or on their head. They may move from house to house, colonies to colonies, or building to building. There is a practice of weekly market prevailing in many cities. These markets are available in a particular day of the week. Many vegetable street vendors occupy a place in these weekly markets for selling vegetable. Seasonal vending can be found depending on requirement of a product or service by the customers. In some cases, the vending is mix of both stationary and mobile

approach. It is not limited to provision of tangible goods only, but intangible services are also offered by the vendor. In most of the cities, stationary vendors outnumber mobile vendors. Vendors selling fruits and vegetables are found to be more than others reason being less capital requirement for fruits and vegetables as well as these are mass consumption items. Street vending was illegal in the country before Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act, 2014 came into force. It provides protection to the street vendors and at the same time imposes regulation. As per the norm, the total number of street vendors should be within the ceiling limit of 2.5 percent of the population of the ward or zone or town or city also called as Holding Capacity of a Zone.

Article 19 (1) (g) of Indian constitution gives its citizen a fundamental right to practice any profession, or to carry on any occupation, trade or business. It means vending occupation cannot be denied by the local authorities and the state. There are 49.5 lakh street vendors identified in the country with Uttar Pradesh having maximum number of street vendors holding 17.2 percent of country's total street vendors (Table 1). No street vendor is identified in Sikkim.

Town Vending Committees

The Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act, 2014 empowers the state governments to constitute Town Vending Committees (TVC) in each local authority for identifying street vendors, maintaining their record and issuing vending certificates. Tamil Nadu has constituted maximum 664 TVC followed by Uttar Pradesh with 651 TVC in the state. Only 17 states/union territories have constituted these committees in all eligible cities and towns, 14 have constituted them in 50-99 per cent of eligible cities and towns, and two have set them up in less than half (Madhav, 2022).

Vending Zones

After its constitution, TVC is responsible for the smooth functioning of street vending within that city. The tasks include issuing vending certificates and preparing the town vending plan. The plan primarily consists of creating infrastructure for vending zones and the earmarking of zones. Three types of zones are permitted – vending zones (where street vendors can vend for 24 hours), partial vending zones (specific time periods when vending is permitted) and no-vending zones. In Uttar Pradesh 3,047 vending zones have been identified followed by Madhya Pradesh with 2,080 vending zones (Fig. 3). There are states like Jharkhand, West Bengal, Sikkim, Haryana, Himachal Pradesh, Ladakh without any identified vending zones.

Associations for Street Vendors

In order to protect the interest of street vendors, many non-government organizations came forward, associations were formed which started representing the street vendors. These are raising voice in favour of street vendors and protecting their interests by opposing the eviction drives of local municipal authorities.

National Association of Street Vendors of India (NASVI), an association registered under Societies Act came into existence in 2003 inviting trade unions, Non-Government Organizations (NGOs), Community-Based Organizations (CBOs) and working professionals as its members. The association has a membership of over 10 lakh street vendors. It played a role in bringing street vendors act, 2014. It regularly takes up wide activities which includes campaigns for awareness creation, organizing rallies,

representation before judicial and other governmental authorities, organizing conferences and round tables, and a variety of advocacy initiatives.

Self Employed Women's Association (SEWA), an association formed in 1972 in Ahmedabad is a trade union which promotes the rights of low income, independently employed female workers. It has 2.1 million women and is involved in organizing self-employed women through unions, cooperatives, producer groups, facilitating access to social security and providing professional training to build capacity of female workers.

National Hawkers Federation (NHF) is also an association of street vendors which started in 2000 and has presence across 28 states with 1,188 unions. It is involved in raising the issues of street vendors and protecting the livelihood rights of street vendors.

Apart from these three associations, there are many non-government organizations at local levels playing role in protecting the rights of street vendors.

GOVERNMENT INTERVENTION FOR STREET VENDORS

Governments across the world have laws targeting street vendors and regulating their activities. In 1995, India signed Bellagio International declaration of street vendors. The declaration recognized street vending as informal and unrecognized trade. A task force for creating urban street vendor law was created in 2004. Considering the importance of street vendors and the contribution made by street vendors to the urban society, the government brought out National Policy on Urban Street Vendors 2004. The policy focused on legalization of trade, planning hawking zones and skill improvement of vendors. It was revised in 2009 as National Policy on Urban Street Vendors 2009. It emphasized on the formation and functions of Town Vending Committees(TVC). In order to have a legislative framework, the government prepared Model Street Vendors (Protection of Livelihood and Regulation of Street Vending) Bill 2009. In 2010, Supreme Court of India recognized street vending as a source of livelihood and fundamental right of street vendors and directed the government to pass street vendors bill by June 30, 2011. Based on several consultations and inputs from stakeholders, new legislation namely 'Street Vendors (Protection of Livelihood and Regulation of Street Vending) Bill, 2012' was introduced. The bill eventually became Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act, 2014 and came into force from May 1, 2014.

Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act, 2014 After getting assent of the President of India, the 'Street Vendors Act, 2014' came into force from May 1, 2014 for the protection of livelihoods rights, social security of street vendors, regulation of urban street vending in the country. The main features of the act are as follows:

1. Registration and Identity card issue to street vendors
2. Constitution of Town Vending Committee with minimum 40 percent representation of street vendors (One-third among vendors must be women. All social categories should be represented)
3. Making street vending plan and framing schemes including credit, insurance and other welfare schemes for street vendors
4. Grievance redressal, dispute resolution and safeguarding street vendors to vend.

Subsequently, many state governments notified the scheme at different points of time (Except Sikkim, Jammu & Kashmir and Ladakh). Majority of the states/union territories notified in 2016. Few states notified as late as 2020.

Deendayal Antyodaya Yojana- National Urban Livelihood Mission (DAY-NULM)

Deendayal Antyodaya Yojana- National Urban Livelihoods Mission (DAY-NULM) was launched by the Ministry of Housing and Urban Poverty Alleviation (MHUPA), in 2013 to address the concerns of urban street vendors by facilitating access to suitable spaces for vending, institutional credit, improved skills and social security linkages. Under the mission, there is provision of financial support to Urban Local Body (ULB) for conducting survey for identification and enlisting of street vendors; preparation of city street vending plan as per the provision of Street Vendors Act, 2014; improvement of infrastructure and provision of basic services in the existing street vendors market; initiatives for financial inclusion; training, skill development and awareness and linkage with social security schemes. The ULB is entrusted for issuing identity card to all the identified street vendors.

PM SVANidhi

Prime Minister Street Vendor's AtmaNirbhar Nidhi (PM SVANidhi) was introduced by the Government of India in June 2020 to facilitate working capital loan to street vendors by banks, NBFCs (Non-banking Finance corporation)/ MFI (Micro-finance institutions) without any collateral security for a period of one year which has to be repaid as monthly installment. In order to incentivize regular payments, there is provision of enhanced limit of working capital loan for next cycle on timely repayment. Unlike other bank loans, no prepayment penalty will be charged if a vendor makes early repayment. An interest subsidy at the rate of 7 percent is provided by the government. As on Jan 31, 2023 close to ₹48 billion has been disbursed to approximately 41 lakh street vendors spread across the country.

SVANidhi se Samridhhi

The government launched SVANidhi se Samridhhi in January 2021 for socio-economic upliftment of street vendors. It was started in 125 urban local bodies in 2021-22 and then 126 additional cities in 2022-23 having provision of following eight government of India schemes:

Pradhan Mantri Suraksha Bima Yojana (PMSBY)

An accident insurance scheme which covers accidental death, permanent disability and partial disablement providing a coverage of ₹2 lakh for annual premium of ₹12.

Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY)

A life insurance scheme offering coverage for death due to any reason of ₹2 lakh against annual premium of ₹330.

Pradhan Mantri Jan Dhan Yojana (PMJDY)

It is a social security scheme wherein monthly pension upto ₹5,000 can be obtained after 60 years against a nominal monthly contribution.

Registration under BOCW Act

It is a social welfare scheme providing benefits (quick help after accident or mishap, financial aid for children's education & major medical expenses to the workers who are involved in the activities related to building and construction across the country.

Pradhan Mantri Shram Yogi Maan dhan Yojana (PMSYM)

It is a pension scheme for unorganised workers to ensure old age protection with minimum assured monthly pension of ₹3,000 after 60 years of age.

National Food Security Act (NFSA) portability benefit – One Nation One Ration Card (ONORC)

It allows all the NFSA beneficiaries/ration cardholders, particularly the migrant NFSA beneficiaries/ration cardholders, for claiming either whole or part of the foodgrains from any FPS situated anywhere in the country through an existing ration card with biometric or Aadhaar authentication.

Janani Suraksha Yojana (JSY)

It is a safe motherhood intervention under the National Rural Health Mission (NHM) with the objective of reducing maternal and infant mortality by promoting institutional delivery among pregnant women.

Pradhan Mantri Matru Vandana Yojana (PMMVY)

It is a maternity benefit program having provision for partial wage compensation to women for wage-loss during childbirth and childcare and to provide conditions for safe delivery and good nutrition and feeding practices. It has provision of cash transfer benefits of ₹5,000 in three installments.

Challenges in Vegetable Street Vending

Street vendors are always associated with blockage of pathways, causing traffic congestion and unhygienic condition of the premises. At the same time these vendors play an important role in making products available and accessible to the urban population at ease, but are afflicted with many problems.

Wastage loss of perishable items: As many perishable fruits and vegetables need certain temperature and humidity for better shelf life, lack of these results into rapid spoilage. The street vendors sell in open area. This causes more wastage. At times, they resort to spraying water on vegetables and covering leafy vegetables by wet cotton cloth arrest quick spoilage. Lack of proper infrastructure and storage facilities also result into higher spoilage of produce.

Lack of space: Most of cities in the country lack proper plan which deprives the street vendors of vending zone. The street vendors struggle to get proper space for vending. And hence, the street vendors vend in the footpath or other public places which are meant for common public activities like walking and vehicles movement.

Supply Chain issues: The vendors procure vegetables from wholesale market (Mandi) early in the morning. As they don't own any vehicle, they hire vehicles to carry vegetables from wholesale market to the selling place. The vehicles carry more than the permissible capacity resulting into damage and wastage of vegetables. These losses are borne by the vendors. The storage of unsold vegetables is also a challenge as the vendors lack sufficient space for storing at home.

Eviction and Extortion: Due to lack of recognized vending zone, many times the administration run eviction campaign which displaces the vendors. Confiscation of goods in most of the eviction drive entails heavy fines. Due to this the vendors are forced to take loan from informal sources at exorbitant interest rate either for recovering the confiscated goods or for restarting the business again. In order to avoid confiscation, they become victim of extortion cases, which are also very common and is silently accepted by the street vendors to run their vending business. The vendors are forced to pay bribe to the tune of ₹500-1,000 per month so that they can continue vending.

Women forced in Street Vending: Vegetable street vending witnesses high percentage of women. Poverty is the main reason for entering into vending business for them. It may be due to non-employed male members or spending earned money on liquor by the male member. Mobility is also a big challenge for women vendors. Additionally, lack of sanitation and hygiene facility leads to health related issues.

Long working hour: In order to earn for their livelihood, the vegetable street vendors work for long ho-

urs. It leads to many other social implications. Not giving sufficient time to family, missing children care. A vendor spends more than 14-15 hours on daily basis in vending business, because of which one does not give proper time to family.

Conclusion

The importance of street vendors have been realized by the country and Act also been brought to protect their interests. Many associations are working for the assistance of street vendors. Government has launched several schemes for the benefit of street vendors. But still a long way to go to address the issues of street vendors as well as consumers. Scientific structures may be developed which keeps the vegetables fresh for longer time thereby increasing shelf life of vegetables. Some structures have already been made. Most of the states have already promulgated the street vendors Act. Time has come to implement it both in paper and spirit. The schemes like PM SVANidhi and SVANidhi se Samridhi addresses many key issues pertaining to livelihood of street vendors. These schemes, if covers all the street vendors, will bring desired change. The task of town vending committee (TVC) must be taken up in both paper and spirit. The 40 percent representation of vendors seems satisfactory, but the way these 40 percent are included and their presence in ensuring the right of street vendor needs further probe. As digital payment is increasing and consumers are also finding it convenient in using, the street vendors may be brought into digital payment fold. Though few vendors have adopted digital payment mode, but still large number of vendors don't have digital payment facility. The hawkers association as well as town vending committee may take initiative to train and provide necessary requirements of digital payment facility to the street vendors.

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