

Street Vendors in Mumbai

Sharit K. Bhowmik

Professor, Tata Institute of Social Sciences

In most Indian cities the 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. These people generally possess low skills and lack the level of education required for the better paid jobs in the organised sector. Besides, permanent protected jobs in the organised sector are shrinking; hence even those having the requisite skills are unable to find proper employment. For these people work in the informal sector are the only means for their survival. This has led to a rapid growth of the informal sector in most of the larger cities. For the urban poor, hawking/street vending is one of the means of earning a livelihood, as it requires minor financial input and the skills involved are low.

There is also another section of the urban population that has taken to street vending, as studies from Mumbai show. These people, or their spouses, were once engaged in better paid jobs in the formal sector. Most of them were employed in the textile mills or in other large factories. Formal sector workers in the city have had to face large-scale unemployment due to the closure of large industries. The textile workers strike of 1981-2 resulted in job losses of over one lakh initially, after the mills restarted. At present the work force is around 30,000 as compared to 250,000 before the strike. Many of these retrenched workers or their wives, have become street vendors in order to eke out a living. A study conducted by the author on street vending in Mumbai in 2000 (Bhowmik 2000) as a part of a larger study involving

seven cities showed that around 30% of the street vendors in Mumbai were former workers in the formal sector. Street vending thus provides employment to a large section of the population.

Employment Scenario in Mumbai: A Brief Overview

During the past few decades, especially since the 1970s, the employment situation in Mumbai has undergone drastic changes. This can be seen from the decline in the share of the organised sector in employment and the equally rapid increase in employment in the unorganised sector. In a study based on the 1961 Census data, Heather and Vijay Joshi (1976) found that 65% of the city's workforce was engaged in the organised sector while only 35% were in the unorganised sector. Subsequent figures from the later censuses indicate that the situation changed rapidly after the 1980s. The draft plan of the Mumbai Metropolitan Region Development Authority (1996) indicates that the shares of the two sectors reversed by 1991. The plan, quoting the 1991 Census shows that 65% of the workforce was engaged in activities in the unorganised sector while the organised sector employed only 35% of the work force.

Formal employment in the metropolis has hardly grown during the above-mentioned three decades. In the decade 1971-1981 it grew by only 1.4% and during 1981-1993 it declined by 0.7% (CRD 1995: 36). Thus during the period 1971-1993 formal employment grew by only 0.2% (*Ibid*). Another important trend during this period is that employment share in the manufacturing sector, which includes the large and small

manufacturing units, fell from 47.3% in 1983 to 34.7% in 1993. This fall is computed at 8.9% per annum (*Ibid*: 37). At the same time growth of unorganised sector employment has been high as seen by the changes in proportion of employment in the two sectors between 1961 and 1991. Another trend observed is that while the share of employment in the manufacturing sector declined, there was increase in the employment share of the services and finance sectors. The services sector share in 1983 was 19.6%, which increased to 25% in 1993, while the finance sector's share was 7.6% in the 1983 and it rose to 11.5% in 1993 (*Ibid*).

The 2011 Census's provisional data shows that the population of the city is around 1.2 crores. In 2001 the population was nearly 1.2 crores. The 65th Round of the National Sample Survey (2004-5) shows that the total employment was 52,93,940 of which 42,94,940 were in the informal/unorganized sector. The data further shows that around 37% (20,01,012) were self-employed. Street vendors constitute 12.5% of the self-employed.

Street Vendors and the Urban Economy¹

Mumbai is the largest metropolis in the country and has the largest number of street vendors. The census conducted by TISS-YAVA of hawkers occupying municipal lands showed that there were 102,401 hawkers in these areas in 1998. The census did not include hawkers operating from privately owned lands, land owned by Bombay Port Trust, Railways and other central government owned land. If we include all these areas then the total

¹ In this study the terms 'street vendors' and 'hawker' have the same meaning and they have at times been interchanged.

number should be 250,000 or more. The National Policy for Urban Street Vendors (2006) states that around 2% of the total population of a city is engaged in street vending. By this measure the total number of street vendors should be around 250,000. Street vendors thus constitute a large section of the urban work force, and perhaps the most victimised.

The total employment provided through street vending becomes larger if we consider the fact that it sustains certain industries by marketing their products. A lot of the goods sold by street vendors, such as clothes and hosiery, leather and moulded plastic goods, household goods and some items of food, are manufactured in small scale or home-based industries. These industries collectively provide employment to a large number of workers but they could have hardly marketed their products on their own. In this way street vendors help sustain employment in these industries.

Street vendors in Mumbai, as elsewhere, are mainly those who are unable to get regular employment. This section of the urban poor tries to solve their problems through their own meagre resources. Unlike other sections of the urban population they do not demand that government create jobs for them, nor do they engage in begging, stealing or extortion. They try to live their life with dignity and self-respect through hard work and limited capital.

The poorer sections too are able to procure their basic necessities mainly through street vendors, as the goods sold are cheap. The study by the author mentioned earlier showed that the lower

income groups spend a higher proportion of their income in making purchases from street vendors mainly because their goods are cheap and thus affordable. Had there been no street vendors in the cities the plight of the urban poor would be worse than what it is at present.

In this way one section of the urban poor, namely, street vendors, helps another section to survive. Hence though street vendors are viewed as a problem for urban governance, they are in fact the solution to some of the problems of the urban poor. By providing cheaper commodities street vendors are in effect providing subsidy to the urban poor, something that the government should have done.

Profile of Street Vendors

In the following sections we shall provide a profile of the street vendors in Mumbai. The data presented, unless mentioned otherwise, is presented from a study conducted by the author in 2000. This study has been updated recently. The other sources of data are the study conducted by TISS-YUVA in 1998 and a study conducted by SNDT University in collaboration with ILO in 2001. TISS-YUVA had conducted a survey of street vendors on BMC lands while the other two studies were based on samples. We have quoted more recent data from study conducted by the author in 2010 as an update of the 2000 study of seven cities.

Social Composition

The sex ratio from our survey of 2010 shows that 27% of the street vendors are females. Around half of the street vendors (51%) belong to Other Backward Classes and around 12% are

Scheduled Castes. Tribals form only 5% of the population. The open categories constitute Only 15% of the vendors covered had resided less than 15 years in the state. The majority were 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. Some of the hawkers were graduates (3%) who had taken up this profession as no other work was available.

The TISS-YUVA study found that there was a positive link between educational level and income. The better educated sold goods which were 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.

Income

The TISS-YUVA survey found that the average income of hawkers in 1998 ranged from Rs. 50 to Rs. 80 per day. The SNDT-ILO (2001) study did not collect data on income of the vendors. Instead it made a list of the expenditure. According to this study, the average monthly expenditure of a street vendor is Rs. 2088 per month (approximate Rs. 66 per day). In our study (2000) we tried to explore how much vendors selling different products earn. Petty vegetable vendors, mainly women, operating from the streets of the working class areas in Central Mumbai (Parel, Lal Bagh etc.) earned Rs. 35 to Rs. 50 per day. The income of male vendors varied from Rs.

50 to Rs. 100 per day. There are cases where the income is higher and a few licensed hawkers even pay income tax. These are exceptions rather than the rule.

The study of 2010 showed 10% earned less than Rs. 140 a day and 47% earned between Rs. 141 and Rs 200 a day. The upper income group constituted 17% who earned between Rs. 220 to Rs. 350 a day. These figures are undoubtedly a jump in income as compared to ten to twelve years ago. However if we take into account that the minimum wage for unskilled workers in Mumbai, as per notification of the Labour Department, was Rs. 217 per day in 2010 the impressive increase in income is not that impressive. Most vendors do not earn the equivalent of a need based minimum wage. Moreover if we take into account the number of dependents each street vendor has in his residence and in his village, the income is further effaced. We found that the average number of dependents per hawker was 3 in Mumbai or in their villages of origin.

We must also point out that these figures are pre-rent. In other words around 10% of the income of the street vendors in the city is usurped by the municipal authorities as bribes. Our study of 2010 found that all street vendors, except those who were very old or were destitute women, paid bribes to be on the street. This further effaced their income. The amount of bribe collected every year by these corrupt authorities amounted to Rs. 400 crores a year during 1998 to 2000. We did not assess the amount of money collected at the present but if we take into account that the average bribe collected is around

Rs. 50 a day from each vendor, the total amount could be mind boggling.

Working Conditions

The working conditions of the vendors are as tough. Most of them (90%) leave their homes by 6 a.m. or 7 a.m. and return late at night. Around two-thirds of hawkers (65%) reside 10 kms. or more from their places of work. They use the suburban trains for commuting. Thus we find that the working day of a street vendor, irrespective of her / his income is more than 12 hours.

The gruelling conditions of work include being exposed to sun and rain on the streets. They are also exposed to fumes from vehicles every day. This results in respiratory diseases and other ailments.

Women vendors are more exposed to ailments because of lack of toilet facilities on the streets. We found that all women vendors we covered on Dr. Ambedkar Road, Parel, suffered from kidney problems.

The study by SNDT Women's University and ILO found that 85% of the sample suffered from diseases resulting from tension, such as high blood pressure (hypertension), hyperacidity and migraine. These are due to the tensions the street vendors face on the streets. They are on the constant look out for eviction staff or they have problems in finance or they are in debt.

Women Street Vendors

The income of women vendors is lower than those of males. The women squatting on the pavements

in the working class area of Central Mumbai have started hawking after the closure of the textile mills in that area. Their husbands had worked as permanent workers in the textile mills and are now unemployed for the past several years. These women provide for most of the expenses for the household through their meagre incomes, as they are the main earners.

We have not come across a single case where a female hawker's total household income is more than Rs. 4,000 per month. In most cases (more than 90%) their household income ranges between Rs. 2,000 and Rs. 3,500 per month. Undoubtedly these women belong to families that are below the urban poverty line.

Women vendors take up this profession mainly because of poverty. They have fewer resources than the male vendors and their investment is less. This in turn means that their income would be lower.

Another reason is that they have to divide their time between earning on the street and taking care of the home. Most women vendors we came across in Lalbaug-Parel area worked till 9 am and went home to cook and clean. They returned in the late afternoon but went home by 9 pm. The males could stay for longer periods and could sell more. There were some cases where the husband or son took charge when the woman went home their income was higher.

Harassment and Bribes

We have discussed about the bribes that the hawkers pay to the

authorities to remain on the streets. Street vendors in Mumbai work under constant threat of eviction. Occasionally massive drives are taken up by some over-enthusiastic municipal officers. These people make it a point to destroy the livelihoods of the working poor and they take great pride in their ruthlessness. Two of these people merit mention.

The first is an officer called Khairnar and the other is Rokade. Both were/are Deputy Commissioners in the municipal corporation. Kairnar was known as the 'demolition man' because of his destruction of slums and street vendors. It is thus surprising to find the same person supporting Medha Patkar's protest against demolition of Golibar slum in Santa Cruz. One does not know whether it is a case of the leopard changing its spots or sheer hypocrisy.

Similarly in 2003 a Deputy Commissioner, Rokade, earned notoriety with the working poor because of his destruction of the wares of street vendors. This person said that his aim was to financially cripple the street vendors so that they could not dare to operate in future. The same person is back as the head of encroachments and is continuing in the same ruthless manner.

We have observed that what actually happens after these raids is quite different from what people are made to believe. Street vendors return to their places after a few days. They are desperate because the raids make them paupers. The municipal authorities confiscate their goods without providing a seizure list or panchanama. As a result there is no proof of what has

been confiscated. This is a violation of the rights of these people. If the police conduct a raid in the premises of a notorious criminal a panchanama is made of the goods confiscated. A street vendor is treated as even worse than these criminals. Our study shows that only 22% of those who were evicted could get back most of their goods that were confiscated.

The raids in fact do not solve the problem of encroachment. In some ways they encourage encroachment. As mentioned earlier, the street vendor who is in debt after the raids has to return to make up for his losses. Moreover the rents increase considerably after these raids. We noticed this after the raids of Khairnar and Rokade in 2000 and 2003, 2010-11 respectively. Street vendors pay higher bribes to the municipal staff to either prevent raids or to be forewarned of raids so that they can escape before the demolition men take over. Hence raids actually help the municipal and police officials to earn more.

The solution to the problem of encroachment does not lie in ruthlessness. The urban poor have for long been pushed around by insensitive bureaucrats. They don't realise that street vendors keep people on the streets making them safe for people, especially women. Without street vendors we could have an increase in crime on the streets as we can see in some cities in Africa.

In most cities in South Africa, Kenya and Nigeria one will not find any people on the streets after sunset because of fear of robbery. The street vendors in these cities have been evicted to make way for 'world class cities'.

On the other hand cities in Ghana which is more responsive to street vendors have fewer crimes on the streets. We find a similar pattern in cities in South East Asia like Bangkok. The city is vibrant and crime free because of the large number of street vendors. These people in fact become tourist attractions.

The choice is of legalising street vending as only then can they be regulated. The Supreme Court has made two major judgements in the past. The first was in 1989 where the court ruled:

"If properly regulated according to the exigency of the circumstances, the small traders on the sidewalks 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 right to carry on trade or business mentioned in Article 19(1)g of the Constitution, on street pavements, if properly regulated cannot be denied on the ground that the streets are meant exclusively for passing or re-passing and no other use." (Sodhan Singh versus NDMC, 1989).

More recently on 8 October 2010 the Supreme passed another judgement where it directed the government to pass a law for protection of street vendors (Genda Ram vs Municipal Corporation of Delhi). The judgement (para 77) states:

"This Court is giving this direction (viz, passing of the bill) in exercise of its jurisdiction to protect the fundamental right of the citizens. The hawkers' and squatters' or vendors' right to carry on hawking has been recognised as a fundamental right under Article 19(1) (g). At the same time the right of the commuters to move freely and use the roads without any impediment is also a fundamental right under Article 19(1) (d). These two apparently conflicting rights must be harmonized and regulated by subjecting them to reasonable restrictions only under the law..."

The judgement concludes thus (para 79): "The fundamental right of the hawkers, just because they are poor and unorganized, cannot be left in a state of limbo nor can it be left to be decided by varying standards of a scheme which changes from time to time under orders from this Court."

Unfortunately the Government of Maharashtra has passed a bill in the winter session of 2010. This bill will create more problems for street vendors if it becomes an act. It is now with the Governor for approval. The bill states that licenses will be issued to street vendors who have resided in the state for 15 years or more. Moreover any vendor caught without a license or if s/he is operating from a no-hawking zone, s/he will be fined Rs. 5,000 and jailed for six months. This is one of the harshest steps taken against the working poor. However, given the high levels of corruption among the officials in the police force and the municipality, this law could easily serve as a means for more rent seeking.



References

- Bhowmik, Sharit K. 2000, Hawkers in the Urban Informal Sector: A Study of Street Vending in Seven Cities, National Association of Street Vendors of India, Delhi (Mimeo)
- Bhowmik, Sharit K. 2011, Street Vendors in India: A study in Ten Cities, National Association of Street Vendors of India, Delhi (mimeo)
- CRD (Centre for Research and Development) 1995, Socio-Economic Review of Greater Bombay (1994-1995), Mimeo
- MMRDA (Mumbai Metropolitan Regional Development Authority) 1996, Draft Regional Plan: 1994-2010, Mumbai.
- SNDT Women's University – International Labour Organisation 2001, Study of Hawkers in Mumbai, Mumbai (Mimeo)
- Sharma, R. N. 1998, Census of Hawkers on BMC Lands, Tata Institute of Social Sciences and Youth for Unity and Voluntary Action (YUVA) (Mimeo)
- National Commission on Enterprises in the Unorganised Sector 2006, National Policy for Urban Street Vendors, Government of India.