

## Urban Responses to Street Trading: India

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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 formal sector. Besides, permanent protected jobs in the formal 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, street vending is one of the means of earning a livelihood, as it requires minor financial input and the skills involved are low.

A large section of street vendors in urban areas are those with low skills and who have migrated to the larger cities from rural areas or small towns in search of employment. These people take to street vending when they do not find other means of livelihood. Though the income in this profession is low, the investment too is low and the people do not require special skills or training. Hence for these people, men and women, street vending is the easiest form for earning their livelihood.

There is also another section of the urban population that has taken to street vending, namely, those once engaged in the formal sector. These people, or their spouses, were once engaged in better paid jobs in the textile mills in Mumbai and Ahmedabad and engineering firms in Kolkata. Formal sector workers in these three metropolises have had to face large-scale unemployment due to the closure of these industries. Many of them, or their wives, have become street vendors in order to eke out a living. A study on street vendors, conducted in these cities, show that around 30% of the street vendors in Ahmedabad and Mumbai and 50% in Kolkata were once engaged in the formal sector. A study conducted by Self Employed Women's Association (SEWA) in Ahmedabad shows that around half the retrenched textile workers are now street vendors.

### *Street Vendors and the Urban Economy*

Over the past few decades we can observe that there is substantial increase in the number of street vendors in the major Indian cities. Mumbai has the largest number of street vendors numbering around 250,000. Kolkata has more than 150,000 street vendors.

Ahmedabad and Patna have around 80,000 each and Indore, Bangalore and Bhubaneswar have around 30,000 street vendors.

The total employment provided through street vending becomes larger if we consider the fact that they sustain certain industries by providing markets for their products. A lot of the goods sold by street vendors, such as clothes and hosiery, leather and moulded plastic goods and household goods, are manufactured in small scale or home-based industries. These industries employ a large number of workers and they rely mainly on street vendors to market their products. In this way street vendors provide a valuable service by helping sustain employment in these industries.

Street vendors are mainly those who are unsuccessful or unable to get regular jobs. 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, or engage in begging, stealing or extortion. They try to live their life with dignity and self-respect through hard work. The study on street vendors in seven cities shows that the average earnings range between Rs. 40 and Rs. 80 per day. Women vendors earn even less. These people work for over 10 hours a day under gruelling conditions on the street and are under constant threat of eviction. A study of street vendors in Mumbai conducted by SNTD Women's University and ILO showed that an overwhelming majority of them suffered from ailments related to stress--hyperacidity, migraine, hypertension, loss of sleep etc.

The poorer sections too are able to procure their basic necessities mainly through street vendors, as the goods sold are cheap. A study on street vendors in seven cities conducted by the National Alliance of Street Vendors of India (NASVI) 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.

#### *Street Vendors and Public Space*

Street vendors have existed since time immemorial. In recent times however they have come to be regarded as public nuisance by certain sections of the urban population.

NGOs representing the elite sections, especially the residents' associations of the middle class and upper middle class, are most vocal about eviction of street vendors from their vicinity. In most of the large cities, such as Mumbai, Delhi, Kolkata, Chennai, Bangalore, these associations aggressively argue for restoration of pavements as public space only when street vendors 'encroach' on them. At the same time these associations too blatantly encroach on public space by employing private guards who regulate entry of people through public roads that access their residential areas and they cordon off public space such as roads and lanes by erecting fences and gates.

The constant tirade by these elite NGOs that street vendors deprive pedestrians of their space, inconvenience traffic and encourage anti-social activities finds favour with the media which highlights these issues. The municipal authorities too act promptly on their advice by evicting these street vendors and depriving them of their livelihood. The inconvenience caused to the majority of the population who find it convenient to purchase from street vendors is never a consideration. The fact that no committee of slum dwellers has ever complained against street vendors is of course irrelevant to the municipal authorities as well as these self-proclaimed defenders of public space.

The Supreme Court has taken a different position. More than a decade ago, the New Delhi Municipal Corporation evicted a common street vendor, Sodhan Singh, who sold garments at Janpath in New Delhi. He appealed to the Supreme Court through a Public Interest Litigation claiming that the act violated his fundamental rights, more specifically his right to carry on business or trade (article 19(1)g). In a very significant judgement, the Court ruled 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 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).

The above extract from the Supreme Court judgement is significant because it emphasises on several important aspect of street vending and use of public space. The judgement notes the positive role of street vendors in providing essential commodities to common people at affordable prices and at convenient places. Moreover, the judgement

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 to carry out trade or business hence it should be regulated properly and not abolished.

#### *Organising Street Vendors*

Street vendors conduct their business amidst insecurity. Whenever eviction drives are conducted their wares are confiscated or destroyed. 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. Hence, even if the municipal authorities demarcate areas as street vending zones, the police have the right to evict street vendors in these zones. Even licensed street vendors can be evicted under this law. The Section reads: "No person shall cause obstruction in any street or public place by...exposing anything for sale or setting out anything for sale in or upon any stall, booth, cask, and basket or in any other way whatsoever."

In order to overcome these restrictions street vendors organise themselves into unions that enable them to continue their activities. These organisations are mainly localised bodies representing street vendors in specific areas of the city. In fact in all the larger cities trade unions representing different political hues try to mobilise street vendors. Some of these trade unions are independent organisations but most of them are affiliates of the larger trade union federations. Since street vending is not officially permitted the main role of these organisations is to negotiate with the local authorities (the officers in the municipal wards and police stations) for occupying public space.

In general it is found that the rate of unionisation is low. The different studies conducted on street vendors in Mumbai, Delhi and Ahmedabad show that less than 20% of them are members of unions. Most of these members are males as the female vendors constitute a small section of the profession. In most cases they are marginalised. Ahmedabad is an exception as female vendors constitute a sizeable section (40%) and they are also unionised mainly due to the efforts of Self-Employed Women's Association (SEWA). The existence of SEWA as a union of women in the informal sector has encouraged females from the urban poor to take to street vending. Ironically, Ahmedabad is the only city where the male vendors have the lowest level of unionisation.

Trade unions organise protest meetings and demonstrations when street vendors are threatened by the municipalities or the police. If this does not get them any redressal, they go to court and obtain stay orders against the action taken by the civic bodies. These

are basically stop-gap arrangements and are more like fire-fighting methods. In other words, whenever vendors feel threatened they resort to actions that enable them to continue their business, though for temporary periods.

There are other means through which street vendors manage to conduct their trade. Vendors in an area form their informal associations that negotiate with the local authorities. This invariably means offering rents (bribes) to the authorities for warding off eviction drives or forewarning them of impending drives. These associations collect money from their members and pay it as rent to the concerned authorities. There are others forms of extracting rents. In some cases local musclemen, more often than not with the backing of a political party, collect protection fees through threats. Their links with the local authorities ensure that those who pay will not be disturbed and those who do not pay will face eviction either by the musclemen or the authorities. The level of unionisation is low mainly because street vendors feel that they can survive through paying rents rather than forming unions that will fight for their rights.

The non-official / illegal status of street vending along with low level of unionisation has given rise to an alarming rate of rent seeking. NASVI's study of street vendors found that they pay between 10% to 20% of their earnings as rent. In Mumbai the total rents collected amounts of Rs. 4 billion annually. In Delhi, Manushi Trust, a women's organisation, conducted a public hearing on problems of street vendors and cycle rickshaw pullers in the city in 2000. It was found that Rs. 500 million is collected as rents daily from these people. These findings were later endorsed by the Central Vigilance Commission. However, in Ahmedabad where female vendors are unionised, rent seeking is much less. Hence legalising the profession and encouraging trade unions would be means through which rent seeking could be reduced. But these are also the precise reasons why the authorities may resist such moves.

#### *Intervention at the National Level: Formation of NASVI*

The common problems faced by street vendors imply that these can be tackled only at the national level and not through makeshift local initiatives. There was thus a need for forming a national organisation that could help co-ordinate activities of the associations of street vendors and project these at a national level. The Bellagio declaration of 1998 could form the basis of such an organisation. The points raised could become the basic demands of street vendors. SEWA had played an important role in the Bellagio meeting and in order to raise the points of the declaration, it initiated the formation of the National Alliance of Street Vendors of India in September 1998 in

Ahmedabad, India. It is a coalition of trade unions and voluntary organisations working for street vendors spread all over India. NASVI, now based in Patna, started off as a networking organisation of street vendors. It advocates for the basic rights of street vendors. It gives them a platform to unite and to raise their voice for their just demands and rights. At present, more than 350 street vendor organisations from 22 states of the country are part of the Alliance. It creates awareness about the usefulness of the vendors and hawkers, brings to light their plight, so that the urban planners and authorities can no longer ignore them. NASVI publishes a quarterly newsletter in Hindi and English called *Footpath Ki Awaz* (Voice from the pavement/sidewalk) that publicises its activities.

One of the first major activities of NASVI was to gather more information on street vendors in different cities. In December 1998 NASVI organised a meeting in Mumbai to discuss on the means through which information on street vendors could be gathered. The methods engaged by trade unions of street vendors were not sufficient as they were merely reactions to the threats from the authorities. What was needed was a long-term perspective on street vendors at the national level. On the one hand it was important for NASVI to intensify its activities of forming a network among street vendors' trade unions and other organisations working among them such as NGOs, Voluntary Organisations etc. At the same time, in order to justify the rights of the street vendors to carry out their trade with self-respect it is necessary to study all the problems associated with street vending in urban areas. A mere assertion of the demands of street vendors for the right to work and the right to an existence is not enough to put forth their case at the national level. It is necessary to examine all factors associated with the profession. Only then could a clear idea on the problem emerge. This in turn could help organising a national campaign on problems of street vendors.

What are the problems relating to street vending? The meeting identified four major issues. First, in most cities street vending is regarded as an illegal activity. There are municipal and police laws that impose restrictions on the trade. In most cases these laws do not directly prohibit street vending as a profession. They impose restrictions on the use of public urban space for street vending. Hence there is a need to study the municipal laws in different cities/states.

This brings up the next important issue, namely, the urban plans. All urban plans allot space for public use. These include space for parks and gardens, markets, educational institutions, hospitals etc. An assessment of these plans should be made in order to find out if some of this space could be allotted for street vending.

Third, besides examining the existing laws and the plans, it is also necessary to study the nature of the trade in its totality. A study of the street vendors should be conducted, as this will throw light on the type of problems they face. In some of the cities such as Mumbai, Ahmedabad and Kolkata surveys of street vendors had been carried by some institutions. In Mumbai, the municipal corporation had commissioned the Tata Institute of Social Sciences and Youth for Unity and Voluntary action (YUVA), an NGO, to undertake a census of street vendors who conduct their business on municipal lands. The SNDT Women's University in Mumbai in collaboration with the International Labour Organisation, conducted a study on street vendors in Mumbai in 2001. In Ahmedabad, SEWA had conducted studies on street vendors in the city and in Kolkata, the Hawkers' Sangram Committee had conducted some studies on the trade. The findings of these studies could supplement the reports on street vendors carried out in this study.

Another important aspect of this trade is the views of the consumers. Who are the people who buy from street vendors and why do they patronise them? What, according to them, are the positive and negative aspects of street vending?

The meeting felt that a comprehensive study covering the four points could throw up many important issues relating to street vending. It could provide concrete data for furthering the cause of the street vendors and at the same time provide issues which could form the basis of a national movement. The trade unions and other organisations working for the street vendors could use the findings as the basis for fighting for concrete positive proposals at the regional level as well as the national level. In other words, the findings of this study could become the platform for NASVI to further the cause of street vendors.

### ***Survey on Street Vending***

The survey was conducted in seven cities between April 1999 and March 2000. These cities were Mumbai, Ahmedabad, Kolkata, Imphal, Patna, Bhubaneswar and Bangalore. They were chosen because of their specific characteristics and their geographic locations. Mumbai, Ahmedabad, Kolkata, Bangalore and Patna have large populations of street vendors and are situated in different parts of the country. Mumbai and Ahmedabad are in Western India, Kolkata and Patna in Eastern India and Bangalore in Southern India. Imphal was chosen because it is in North-East India and more specifically because it presents a rare instance where street vendors, who are all women, have gained some legal rights to carry out their trade. Bhubaneswar was chosen because

it is a planned city (after Chandigarh) and hence the position of street vendors needs to be studied in this environment. The main findings of the survey are noted below.

The laws relating to street vending in these cities varied. With the exception of Kolkata, all the above municipalities have provisions for providing licenses for street vending. A mention of Kolkata is necessary because of its unique position on street vendors. In 1997 the Government of West Bengal proposed an amendment to section 371 of the Kolkata Municipal Corporation Act. This section deals with street vending. The amended section made street vending illegal and anyone contravening or abetting in contravening this section, will be punished with rigorous imprisonment for a term extending up to three months or fined Rs. 250. In the Statement of Objects and Reasons, the act states in 2(ii) that in order to prevent encroachment in public places, "it has been decided to declare any such encroachment by the hawkers, stall holders and other organisations as cognisable and non-bailable offence." It is ironic that alleged rapists and murderers, in some cases, are granted bail, but a street vendor selling wares on the street is regarded as more dangerous criminals by the state government.

On examining the ground reality in each of the cities we find that in actual practice there are common features in all of them. Municipal authorities, in cities that have provisions for issuing licenses to street vendors, are most reluctant to issue them or the provisions are such that it makes it almost impossible for most vendors to avail of licenses. For example the forms to be filled up for getting a license are so elaborate that it would be difficult for an illiterate or semi-literate vendor to apply. In Mumbai, where there are around 250,000 street vendors, the municipal corporation has granted only 14,000 licenses. Moreover, the municipal corporation has stopped granting new licenses for the past two decades, hence most of these license holders do not ply the trade at the present as they are too old or they have died. The survey undertaken by TISS-YUVA on street vendors in Mumbai found that only 5,653 street vendors, out of a total of 102,401 street vendors covered, had licenses. Though there are provisions in the law for granting licenses, most street vendors in Bangalore are denied this.

Most of the female street vendors in these cities (who form the poorer section of the street vendors) are subjected to all forms of harassment by the police and the municipal authorities because they do not possess licenses. In Ahmedabad too, most vendors, especially the women, do not possess licenses. There is hence a need to ensure that there is uniformity in laws relating vending and these should be more liberal. Laws



need to recognise street vending as regular business and street vendors should not be treated as criminals.

Though each city has its development plan that may or may not be implemented, it is quite evident from the review of these plans that the term 'public space' has a very restrictive meaning. Street vendors or markets that can take care of street vending are not considered in the discussions on public space. Imphal is the only city that has clearly stated rules for street vending. The Manipur Town Planning and Country Planning Act, 1975 provides that in residential areas (which include private as well as government housing) there should be provisions for 4 to 6 shops and 10 hawkers per 1,000 people.

The incomes of street vendors were more or less the same in all the cities. Their daily incomes range from Rs. 50 to Rs. 100 for males and Rs. 35 to Rs. 40 for females. In all the cities, despite the fact that street vendors provide various types of services, they are persecuted by the municipal authorities and the police. Bribery is the only way most street vendors can survive in their trade. The working conditions of the vendors are very poor and most of them lead a very hard life. They work for more than ten hours a day to earn their meagre income.

Corruption, in the form of bribery and extortion, ate into the earnings of these people and further reduced their income. In normal circumstances, street vendors part with 10 to 20% of their earnings to the local authorities as bribes. During times when eviction drives are undertaken by the municipal authorities, the bribes increase considerably. At these times street vendors pay larger sums to corrupt officials to forewarn them of impending raids. It would appear that these periodic eviction drives are carried out mainly to increase the rents sought by these officials.

The survey of consumers showed that people from all sections bought some goods from the streets. A section of the upper income group patronised some food hawkers because of the taste and flavours. The middle income groups bought clothes, vegetables and fruits from street vendors as these were cheap and fresh. The main beneficiaries were the urban poor. These people purchased nearly all their necessities from street vendors because of the low prices. It was found that though all sections of the urban population patronised street vendors, the middle and upper income groups were critical of the problems caused by them.

After the survey was completed SEWA and NASVI discussed the findings with the Ministry of Urban Development and Poverty Alleviation of the Government of India. The two organisations explained to the government the need for taking a serious look at

the problems of street vendors in the country. In May 2001 the ministry, in collaboration with SEWA, organised a National Workshop on Street Vendors at Delhi. The Minister as well as the Minister of State in the Ministry of Urban Development and Poverty Alleviation attended the workshop along with senior bureaucrats. NASVI mobilised members from almost all organisations of street vendors in the country and some NGOs to attend the workshop. The findings of the survey were presented at the workshop and during the two days, representatives of street vendors deliberated on their problems. NASVI used the workshop to build pressure on the government to evolve a national policy on street vending. In the valedictory session, the Minister announced that his ministry would soon constitute a national task force, with the Minister of State as the chairperson, to draft a national policy on street vending. This workshop was a major victory for SEWA and NASVI as it appeared that their struggles were likely to bear results.

### ***Towards a National Policy***

The National Taskforce on Street Vendors was formed in August 2001. Besides the Minister of State the members comprised senior officials of the ministry, mayors, municipal commissioners, senior police officials and representatives of trade unions. After a couple of meetings, held in Delhi and Ahmedabad, the Secretary of the Ministry proposed that a Drafting Committee should be formed that would prepare the draft policy document. This seven member committee was formed in April 2002 and was headed by the Chairperson and Managing Director of Housing and Urban Development Corporation (HUDCO). The Drafting Committee submitted the draft policy which was placed before the final meeting of the taskforce on 30 September 2002. After deliberations, the taskforce passed the draft policy with minor changes.

The ministry has sent the policy to the state governments for approval. Till date 17 of the states have responded positively with only one of the states dissenting. The ministry is waiting for a few more states to send their comments before the document is sent to the Union Cabinet for final approval.

### ***Policy Guidelines***

The draft national policy tries to follow the guidelines of the Supreme Court judgement, quoted earlier. It is an important document as it tries to restore some dignity to street vendors. Its introduction states: "The role played by the street vendors in the economy as also in the society needs to be given due credit but they are considered as unlawful entities and are subjected to continuous harassment by civic authorities." It

further states that "this policy tries to ensure that this important section of the urban population finds recognition for its contribution to society, and is *conceived of as a major initiative for urban poverty alleviation.*" (Emphasis in original).

The main objective of the policy is to "provide and promote a supportive environment for earning livelihoods to the street vendors, as well as ensure absence of congestion and maintenance of hygiene in public spaces and streets." This may appear contradictory. The police and municipal authorities, backed by the so-called citizens' groups who fight for protection of public spaces, would argue that street vendors cause congestion and create unhygienic conditions. If street vendors are allowed to function streets cannot be free of congestion. This is not at all true. If hawking is properly regulated and the right environment is created, it can certainly be a positive contribution to urban life, as the Supreme Court judgement notes. Moreover, urban development plans must take street vendors as a part of the planning process and only then can there be any semblance of order. At present, street vendors are treated as irritants to urban planning and organisation.

Provision for hawking need to be made in the urban plans and the existing street vendors need to be settled. The policy tries to tackle these problems through democratic means and collective action. Normally hawking and no-hawking zones are designated by the civic or police authorities. These are done in an arbitrary manner and in many cases the interests of street vendors and the needs of consumers are not considered. In many cases the authorities deliberately demarcate hawking zones in areas that are least likely to have to have consumers. The policy stresses that "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". Ward committees in large cities and town committees in smaller towns will take care of these issues. These committees will have representatives of the municipal authority, traffic and local police, associations of shopkeepers, traders and residents' associations including association of slum dwellers and representatives of street vendors. The representation of street vendors will be from membership-based organisations. These representatives will constitute 40% of total number of members of the committee and a third of them will be women.

It is often found that apart from forcible evictions, street vendors are removed from the streets under the guise of beautification of pavements. Potted plants or decorated signs are placed on the pavements to prevent street vendors from plying their trade. At times shops or residential plots encroach on the pavements by cordoning off a

portion in order to plant trees or flowers there. These forms of encroachments often hinder pedestrians more severely than those by street vendors. The policy therefore states that, "no hawker / street vendor should be arbitrarily evicted in the name of 'beautification' of the cityscape. The beautification and clean up programmes undertaken by the states or towns should involve street vendors in a positive way as a part of the beautification programme."

### *Legal Changes*

In the discussions while formulating the policy, senior police officials pointed out that Section 34 of the Police Act empowers the police to remove any obstructions on the streets. Hence, even if the municipal authorities demarcate areas as hawking zones, the police have the right to evict street vendors in these zones. This section needs to be amended in order to remove the anomaly between a legal vendor and illegal obstruction. Even licensed street vendors can be evicted under this law. The Section reads: No person shall cause obstruction in any street or public place by...exposing anything for sale or setting out anything for sale in or upon any stall, booth, cask, and basket or in any other way whatsoever." The policy has recommended that all states should amend the Police Act of their respective state and add the following rider: "Except in case of street vendors and service providers with certain reasonable regulations." Similarly the Union Government should amend Sections 283 and 431 of the Indian Penal Code and include the rider. The state governments have been advised to "remove the restrictive provisions in the Municipal Acts to make street vendors inclusive in the city plan / cityscape.

### *Legalising Street Vending*

One of the ways of legalising street vendors is by issuing licenses to them. The municipal authorities are thus able to keep a check on the number of vendors and can also earn revenue through license fees and other charges. However, the experience with licensing has been very negative.

Legalising of street vending through licensing should remove the basis of their harassment, extortion and eviction by the concerned authorities, provided this system is more liberal. The unlicensed street vendor is vulnerable to all sorts of extortion from various quarters. The police and municipal authorities extract rents for allowing them to operate.

Rent seeking is related with unlicensed vending. However the licensing system, even if liberalised, may itself provide new avenues for rent seeking. The draft policy notes: "...numerical limits to such licenses, which are sought to be justified on the

argument that congestion in public places would thus be avoided, has given rise to an elaborate regime of rent seeking. In the first instance, rents are derived from the issue of licenses, since the demand exceeds the (often arbitrary) numerical limits of such licenses. Second, given the demand for services of street vendors exceeds the supply from licensed vendors, a number of unlicensed vendors seek to operate, and rents are extracted during enforcement by allowing them to operate without licenses." The policy therefore recommends that instead of licenses, there should be a simple of registration of street vendors and non-discretionary regulation of access to public spaces in accordance with the planning standards and nature of trade / service. Registration of street vendors will be done by the Ward Committees as these are best suited to assess the situation at the ground level and vendors will be provided identity cards. The registration fee is to be nominal and will be fixed by the Urban Local Body (ULB). Registration will be renewed after every three years. The registration fees, monthly maintenance charges and fines, if any, will be collected by the Ward Committee on behalf of the ULB. A portion of the revenue collected will be allotted to the Ward Committee for its operations.

Another aspect connected with legalisation is eviction. Besides causing financial hardship and impoverishment, eviction creates loss of dignity for the vendor. The policy lays down that evictions should be avoided but where relocation of street vendors is necessary a minimum notice of 30 days should be served to them. It further notes that the vendors or their representatives should be involved in planning and implementation of relocation and efforts have to be made to ensure that the vendors in the new locality have the same earnings as the pre-evicted level. The states too have been asked to take comprehensive measures to check and control the practice of forced evictions.

#### *Self-regulation and organisation*

Street vendors can be assets to the urban system if they are given the opportunity to contribute to its development. Being a part of the marginalised urban poor, they are treated as trouble-makers whose sole purpose is to create chaos on the streets. This attitude is prevalent not only towards street vendors but also towards the other sections of the marginalised. The civic authorities and the urban elite in fact seem to regard the majority of the urban population as obstacles to improving urban environment. Whenever the question of citizens' initiatives for improving cities arises, the reference is invariably to the middle and upper middle class. It these people and their representative NGOs who can take on the responsibility of improving the cities. The vast majority of the urban population is not only kept out of these initiatives but they are, more often than

not, regarded as the main problem. In other words this majority is denied the rights of citizenship.

The fact is that no plan for improving the city can be successful without the participation of the urban poor. They need to be integrated into the planning process and in the campaigns for better environment. The experience of another marginalised section of the urban workforce, namely, rag pickers, has shown this. Rag pickers have been regarded as a nuisance and they are blamed for spreading garbage. They are harassed by the civic authorities and by middle class residents associations. In fact these people, who form the poorest section of the urban population, are engaged in activities that are very positive for the environment as they collect recyclable materials from the city's garbage. Instead of victimising them for their activities, the civic authorities could instead incorporate them in keeping the city clean. There are instances where this has happened and the results have been positive. In Ahmedabad, SEWA has been able to include rag-pickers in the 'clean city' campaign. In Mumbai, the Stree Mukti Sangathana, a woman's organisation, has involved rag-pickers in beautification campaigns in some parts of the suburbs. Such moves are not only beneficial for the urban environment, they also try to restore citizenship to the marginalised.

In the case of street vendors too, their involvement in keeping the pavements clean could be very beneficial for the urban population. But this cannot be done if hawking is regarded *ipso facto* as illegal. If street vending 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 street vendor likes to work in unclean surroundings. The policy in fact recommends that beautification programmes should necessarily involve street vendors and their organisations.

The main highlight of the policy lies in its stress on self-regulation among street vendors. This aspect becomes more important in the case of food vendors who need to operate under hygienic conditions. The policy stresses that instead of having health inspectors, food vendors must ensure hygiene through self-compliance. It states, "though quality control is essential, the practice of 'health inspector' may not be suitable for the hawkers." This mainly because such inspections encourage rent seeking rather than the objective of promoting hygiene. Street vendors therefore need to take up the responsibility of quality control. If this is violated, the Ward Committee can take action by imposing fines or by asking the offenders to close their business.

Another aspect that the policy stresses on is encouragement of collective organisations among street vendors. One of the objectives of this policy is "to promote organisations of street vendors e.g. Unions / Co-operatives / Associations and other forms of organisations to facilitate their empowerment." Along with empowerment, organisations of street vendors will be the basis of their credit, social security and insurance programmes recommended in the policy.

### ***Credit and Social Security***

As street vendors are a part of the urban informal sector they have little or no access to institutional credit. This makes them dependent on private moneylenders who charge high rates of interests or they depend on their savings as working capital. The policy therefore suggests that banks should encourage street vendors to form Self-Help Groups (SHGs) for income generating activities. It further states that Vendors' Associations should be assisted by NGOs and they should be covered in government schemes for poverty alleviation. The attempt should be towards forming federations of SHGs to create "a financial interface between the vendors and formal sector financial institutions to gain access to larger credit not only for income generation but also for housing, whenever the need arises."

The policy notes that the need for social security is high for the informal sector. Social security generally covers medical care, sickness, maternity benefits, employment injury, inability and survivors' benefits, old age pension etc. The social security laws granting these provisions are generally applicable only to workers in the formal sector. These schemes are financed partly through the workers' contributions and through contributions from their employers. If these schemes are applicable to street vendors they would be run solely through their own contributions as they are self-employed. Hence, the policy proposes that the government must provide a matching contribution to those of the street vendors.

The policy states that there are two options for enlisting street vendors for social security benefits. Welfare Boards could be created for street vendors on the lines of those existing for construction workers or home-based workers. Vendors could deposit their contributions to banks. At the end of the month, the bank will transfer the amount to the Welfare Board. Such an arrangement would require enactment of a law.

The other option is that the unions of street vendors should be assisted by NGOs or other agencies to promote SHGs. These could be networked and developed into a financial institution which will look into extending credit and also deliver other products

such as insurance, old age pension etc. The government must provide matching contribution. The policy also suggests that special insurance schemes should be developed to cover the loss of goods of street vendors due to natural and manmade disturbances.

When implemented, the policy will be an important step towards empowering this section of the urban population and giving them a sense of dignity and citizenship. Street vendors are micro-entrepreneurs and they need to be treated as such. The urban population, that forms the consumers, too will benefit.

### ***Follow up Action***

NASVI's activities within a short span of five years has been very promising. As mentioned earlier, it has managed to bring in a large number of street vendors' unions and NGOs working for street vendors in its network. Its newsletter too has become an important means of informing vendors of the activities at the national level. The initiation of a national policy on street vending has been a major boost for NASVI's activities. Its main activity now is of trying to get the policy passed by the government.

The structure of NASVI has changed since its inception. There has been a growing demand from its affiliates that instead of merely operating as a networking body, it should play a more proactive role in organising street vendors. The move now is to turn NASVI into a trade union federation. It has framed its constitution which was discussed by at a meeting with its affiliates.

The trade union movement in India is divided among unions based on divergent political ideologies. This has led to inter-union rivalries. Unions of street vendors are no exception as they too are affiliated to federations that have links with political parties. In the midst of this mosaic, NASVI's strength lies in its politically neutral position. This has made it acceptable to unions of differing political affiliations. The unions affiliated to NASVI owe allegiance to the communist, socialist and liberal democratic ideologies, besides unions independent of political parties. NASVI has been able to bring these unions together on a common minimum programme of protecting the rights of street vendors by getting the national policy approved.

The strategy NASVI has adopted is of staying clear of narrow partisan trade union activities. In the given situation, NASVI had to debate considerably on whether it should emerge as a trade union federation or as a society. After a lot of deliberations it was decided that NASVI should register itself under the Societies Registration Act instead of the Trade Union Act. Had it been registered as a trade union, its affiliates



belonging to different trade union federations may not have continued their affiliation as NASVI would be viewed as a competing trade union. The new set-up of NASVI enables street vendors unions to retain their allegiance to their respective federations while continuing as affiliates of NASVI. This is very important for maintaining unity of trade unions of divergent political affiliations. At the same time the new structure of NASVI is closer to that of a trade union federation. Though NGOs and individuals having interest in problems of street vendors (eg. academics, lawyers, social workers) can be members of the body, they cannot cast their vote or contest for elections to the managing committee. They can be co-opted to the committee by the elected members, who represent the trade union affiliates. However, they cannot vote in the managing committee's deliberations.

NASVI's role has become extremely important at this present juncture. Even if the policy is accepted, as it is likely to be shortly, there is always a slip between acceptance by the government and implementation. Street vending is basically an issue concerning urban local bodies (ULBs). The rules governing their functioning are within the jurisdiction of the state governments and not the Union Government. Hence, if ULBs are to incorporate the rules relating to street vending, the state legislatures have to pass or modify laws. Therefore pressure needs to be built up at the state level. NASVI's main role is to mobilise street vendors across political lines and press for implementation of the policy at the state level. SEWA, with NASVI's help, has been able to pressurise the Gujarat government to accept the national policy. The government has now finalised the rules for street vending, based on the policy. This is the first state government to take such an initiative even before the policy gets approval from the Union Cabinet.

The next few years will be crucial for NASVI as well as street vendors. The main task will be of implementing the policy at the state and ULB levels. NASVI is therefore trying to increase its mass base to achieve this purpose.

The data for this paper is mainly drawn from:

Sharit Bhowmik, *Hawkers in the Urban Informal Sector: A study of street vendors in six cities*, National Alliance of Street Vendors of India. <http://nasvi.net>

Government of India, *National Policy on Street Vendors*, Ministry of Urban Development and Poverty Alleviation. [www.urbanindia.nic.in](http://www.urbanindia.nic.in)