

THE IMPACT OF COVID-19 ON STREET VENDORS
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ABSTRACT

The Covid-19 pandemic is expected to have significant impacts in terms of unemployment and underemployment, especially on informal workers. The lockdowns at country and sub-national levels, as well as the restrictions on the movement of people have led to the closure of non-essential businesses with negative outcomes on labour markets worldwide, particularly in the informal sector. The street vendors, hawkers, roaming sellers, who sold everything from food to shoes have melted down due to the sudden lockdown. Street vendors are those with low skills and mostly who have migrated to the larger cities from rural areas in search of employment. These people take up street vending when they do not find other means of livelihood. The investment is low, and this does not require training. Therefore, for men and women street vending is the right form of earning their livelihood. This abrupt lockdown has resulted in a final blow for the street vendor. According to the ILO report, in India, more than 40 crore informal workers may get pushed into deeper poverty due to Covid-19 outbreak and sectors such as hospitality and accommodation, retail and wholesale, business services, construction and industry have suffered drastic consequences with a decrease in production and loss of hours and employment. In total, 1.25 billion workers in these industries, more than a third (37.5%) of the world's workers are at high risk. The condition of low-paid and low-skilled informal workers is very worrying in the low-income and middle-income countries where industries and services employ a large proportion of these workers, who account for 61% of the global workforce or 2 billion people and lack social protection and safety net.

KEYWORDS: Covid-19, Street Vendors, Informal Sectors, Workers, Protection

INTRODUCTION

The Informal Economy Monitoring Study (IEMS) revealed ways in which street vendors are strengthening their communities. Street vending plays a major role in employment creation, production, and income generation. The government of India (Ministry of Housing and Urban Poverty Alleviation) passed the street vendors Bill 2013 in order to improve their standard of living. Street trade also adds vibrancy to urban life and in many places is considered a cornerstone of historical and cultural heritage. Street vending is not only a source of self-employment for the poor in cities and towns but also a convenient livelihood of the urban population. Hawking and road vending have developed as one of

the basic businesses for the urban poor population in India. A Large part of street vendors are uneducated or just taught at primary level. They have low ability and meagre financial condition. Their contribution to the economy cannot be undermined, however, when during the lockdown times, they had to suffer joblessness or find alternative sources of income. The small-time self-employed street vendors form the low circuit economy. A small break in the circuit will have a huge impact on their lives. Further down, the need for social distancing has compelled online shopping and food delivery services. The affordability of the technology is a challenge brought about by the Pandemic. The pandemic lockdown has created a ripple effect on the lives of thousands of people.

REVIEW OF LITERATURE

According to **Bhattacharya & De (1987)**, in the cities of India hawking increases with the urban growth due to influx of rural poor to the city, in search of livelihood. A lot of the commodities are sold by street vendors, such as the clothes, fruits, plastic items, flowers, books, newspapers, leather, and household wares manufactured in small scale or cottage industries (**Bhowmik & Saha.D, 2012**). These industries employ a huge 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.

In 1987, **Bhattacharya and De**, in a study of street vendors of Calcutta explained that street vendors are those people who do not have a permanent place of their own and who offer goods and services without having proper trade license for sale from public spaces.

Owen and Hussain. (1984), conducted a study on food vendors in the Philippines located the potential role of this type of economic activity in providing relatively good income opportunities, and absorbing substantial quantities of agricultural produce (Barth, G.A. 1983). Owen and Hussain analysed yet another important aspect of street vendors. Taking a sample of 550 vendors, the authors show that food selling is a major source of income for those engaged in such activities and in 45 per cent of the cases the only source.

Hans & Iily, (1986) in his study on street vendors mainly advocates a more positive approach towards street vendors combining minimal regulations with measures of encouragement and public assistance.

Karthikeyan & Mangaleswaran (2016) conducted the study of the quality of life among the street vendors, Street vendors are contributing broadly to the informal as well as the overall urban economy in conditions of employment and cheap accessibility of goods and provides for the human society. They earned money between Rs.30 to Rs.120 each day. However, Street vendors have no contact with strict finance, and they mainly rely on their own savings, and get money from friends and relatives. But Street vendors have not accessed the strict Micro Financial Institutions (MFIs) that have come on board to fill the gap left by formal financial institutions. Since most MFIs use banks as collateral, effective groups can provide collateral required by financial institutions. It also provides a good meeting for extending business

development provided to street vendors. The same approach can be used to guarantee security in the areas of operation. Moreover, group of street vendors is precondition for their success as well as healthy development of the cities

OBJECTIVES OF THE STUDY

1. To know the impact of Covid-19 on Street Vendors-Informal Sector.
2. To study out the Income and Working Condition of Street Vendors during pandemic.
3. To find out the Covid-19: problems of Street Vendors and
4. To list out the Measures of the Government of India.

METHODOLOGY OF THE STUDY

This Research is mostly descriptive in nature. Secondary sources of data have been used for This Secondary data has been collected from different published sources like Books, Journals, Newspapers and Magazines, and Websites.

COVID-19: INCOME AND WORKING CONDITION OF STREET VENDORS

Street vendors are generally those who are unable to get any kind of standard jobs. This a section of the people survives with their meagre income. The sudden pandemic lock down has shut down the largest segment of the self-employed men and women, namely the hustlers and hawkers, to a standstill. The National federation of Hawkers accounts for four crores of the population engaged in the selling on the streets, trains, in the metros, towns, and rural areas across India. The parallel economy of Rs. 80 crore a day is supported by every street vendor. Living conditions More than half of the hawking units are mobile in nature while one third units are stationary. One third of the vendors are selling their goods by sitting on the ground with a sheet, handcarts become second, and stalls are the third option. The unit size is very minimal. Majority of vendors are working the whole day while some vendors work only during the evenings or morning hours. That was not possible during the lock down hence they could not do business. Street vendors are contributing broadly to the informal as well as the overall urban economy in conditions of employment and cheap accessibility of goods and provides for the human society. They earned money between Rs.30 to Rs.120 each day. However, Street vendors have no contact with strict finance, and they mainly rely on their own savings, and get money from friends and relatives. But Street vendors have not accessed the strict Micro Financial Institutions (MFIs) that have come on board to fill the gap left by formal financial institutions. Since most MFIs use banks as collateral, effective groups can provide collateral required by financial institutions. It also provides a good meeting for extending business development provided to street vendors. The same approach can be used to guarantee security in the areas of operation. Moreover, group of street vendors is precondition for their success as well as healthy development of the cities (Bhowmik and Saha,2011). At the same time, the working conditions of the vendors are very tough. The survey shows that the vendors, or their spouses, leave their homes between 4a.m. or 8 a.m. to collect

their goods. After a short while they start vending at 10 a.m. and, in case their homes are close to their workplaces, they return back at 2 p.m. for lunch and rest for a couple of hours. They are back to their workplaces by 4 p.m. and they return back to home by 10 p.m. or 11 p.m. The distances travelled by vendors to their workplace may be long. Only 21% of the hawkers sell in areas close to their home (Between 1 km.to 4 km.) Most of the hawkers (53%) travelled for 7 km.to 10 km. daily to their workplaces. They approved their wares in baskets on their heads or on pushcarts. Very few use cycle rickshaws or auto rickshaws for transporting their wares as this would amplify costs. On an average, vendors had to work for 12-14 hours a day to earn their meager income (Bhowmik.S.K, 2009).

COVID-19: PROBLEMS OF STREET VENDORS

The International Labour Organization (ILO 2020) report has indicated that as a result of Covid-19, an estimated 400 million informal sector workers are at risk of abject poverty in India. Women are likely to bear the brunt of job losses the most because much of their work is invisible, and they are more likely to work in informal work arrangements. Moreover, the significant and widening gender gaps in workforce participation rates, employment and wages that existed before the lockdown were expected to intensify during the post-lockdown period. Additionally, India has recorded one of the most unequal gender division of household work, and according to the first and only national Time Use Survey (TUS), women spend around 4.47 hours per week on direct care work (that is, looking after children, elderly, sick and disabled), while men spent only 0.88 hours per week. Along with the gross imbalances in gender -distribution of unpaid care work, the Covid-19 pandemic might worsen the situation by increasing women's burden of domestic chores, unduly cuts and lay-offs in employment. Street Vendors face many troubles because they are a vulnerable population. They are disadvantaged by laws of government in respect of labour unions. The street vendors all the time go through struggles with other street vendors because of uncertainty in market prices. Also, they are required to pay a fixed percent of their daily income as inducements to local police. Street vendors are always associated with encroachment of public spaces, traffic congestion and waste disposal.

GOVERNMENT MEASURES

Street Vendors Act 2014: Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act, 2014 is an Indian legislation aimed to regulate street vendors in public areas and protect their rights with following key highlights.

CHRONOLOGICAL DEVELOPMENT OF STREET VENDORS ACT-2014

- **The Street Vendors Policy 2004** - Aimed at providing social security and livelihood rights to street vendors
- **Model Street Vendors Bill, 2009'** - For Protection of Livelihood and Regulation of Street Vending All States and Union Territory governments for creation of state

legislation, however it had no legal bindings, thus few governments made any progress in this regard.

- **Verdict of Supreme Court of India, 2010** - Court recognized street vending as a source of livelihood, directed the ministry to work out on a central legislation, and a draft of the same was unveiled to the public on November 11, 2011.
- **Street Vendors Act 2014** - Protection legitimate street vendors from harassment by police and civic authorities Demarcation of vending zones on basis of "traditional natural markets" Proper representation of vendors and women in decision making Establishment of effective grievance and dispute resolution mechanism.

Government has passed “Street Vendors Bill 2013”, which protects the rights of street vendors. Street Vendors face many problems as they are a vulnerable population because they are not protected by government, NGOs, labour unions nor by any labour law. Their incomes are often minimal, and their sales fluctuate which was very high during the pandemic. Negative impact of online shopping on retailers and street vendors- Online shopping is a form of electronic commerce whereby consumers directly buy goods or services from a seller over the internet without an intermediary service. Online shopping has become the trend and the new mode of purchasing which picked up in full swing during the onset of pandemic and subsequent lock down. There are hundreds of online marketing enterprises selling cosmetics, clothes, shoes, accessories, vitamin supplements, etc. the entire range of consumer items. Online shopping is indeed having an adverse impact on the retail sector which was so forceful and hit hard on the street vendors. The street vendors are the first point of contact in the supply chain for consumers, and in a time when public scrutiny for hygiene is bound to be high, it becomes crucial, to provide appropriate training to vendors on safety and hygiene and adopting innovation in vendor certification on FSSAI standards, to increase general public confidence on street vending. The unprecedented COVID situation has paved the way to new approaches and innovations in problem solving. The local government too will have to adopt new mechanisms in order to sustain the economy and support Antyodaya - the last one - in order to curb the damage of the pandemic on the informal sector.

CONCLUSION

The Street Vendor Bill 2013 aims to protect and promote a conducive environment for the street vendor's activities and livelihood. The street vendors need the support around market access, vocational and life skills development for enhanced employability and improving working conditions. As such the street vending as an informal sector is facing numerous problems in their occupation, this condition is still worsened due to the pandemic. There might be some efforts by the government to help small businesses during this crisis. The government-sponsored relief programs leave out informal businesses such as street vendors due to rigorous technological and documentation requirements. But perhaps the biggest barrier is the

lack of a social security number. A significant number of vendors are undocumented, which means they will not even qualify for unemployment benefits, despite collecting and paying sales tax like any other business.

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