



Street Traders in SA: Priority Interventions

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29 September 2008

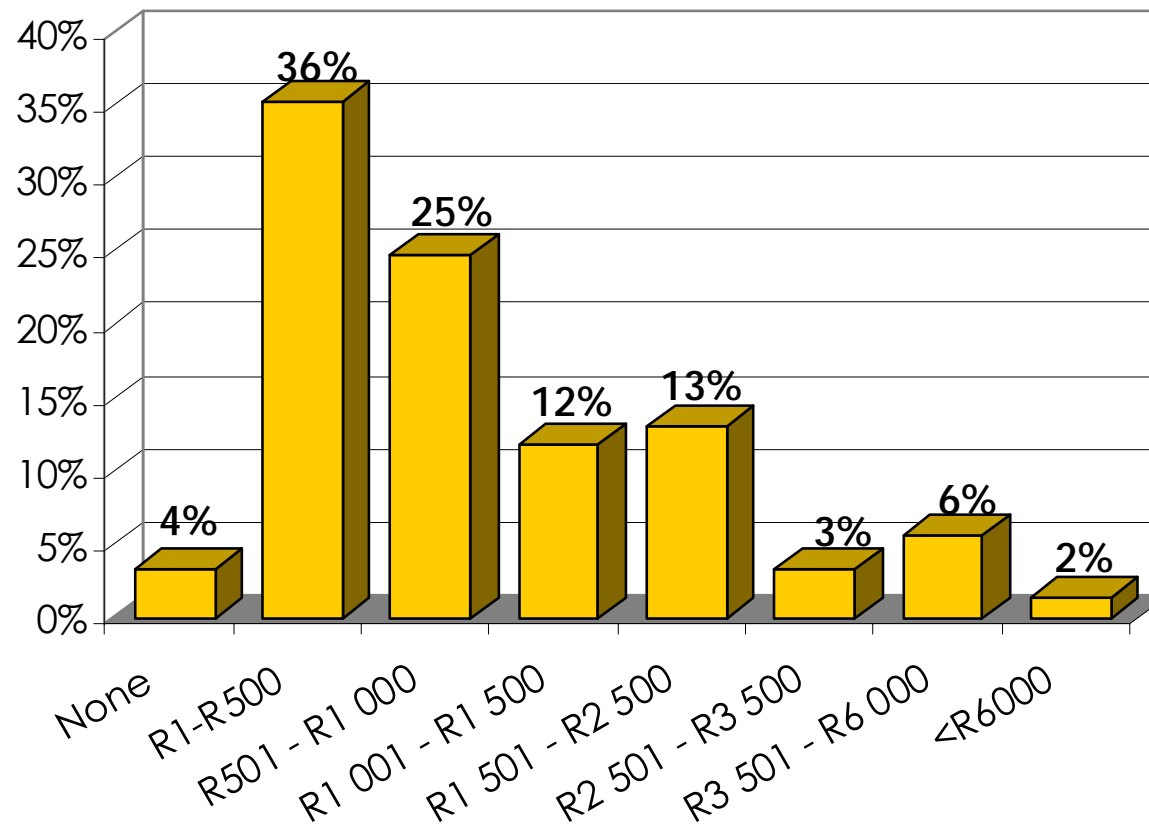
Empirical Evidence

What do we know?

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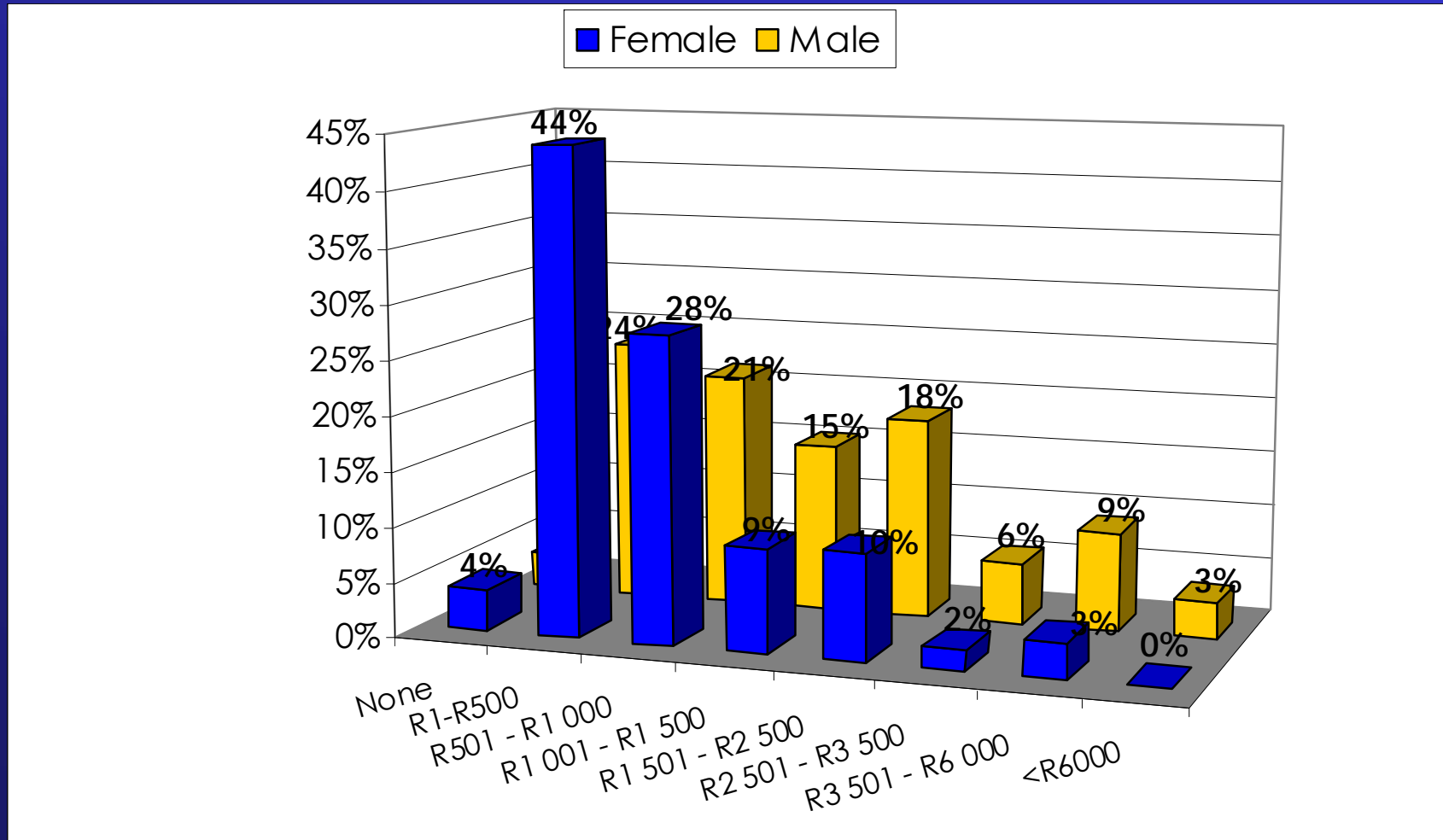
- Between 2001 and 2007 the labour force survey has registered that between 4 and 5 of every ten people registered as working in informal enterprises work in retail.
- In September 2007 this constituted nearly 1 million people. (This excludes the many foreigners who have since the mid 90's work as street traders in SA.)

Informal Retail: Monthly Income



Labour Force Survey: September 2007

Informal Retail: Income



Labour Force Survey: September 2007

What do we know?

Gender: Survey material demonstrates that 6 in every 10 street traders are women.

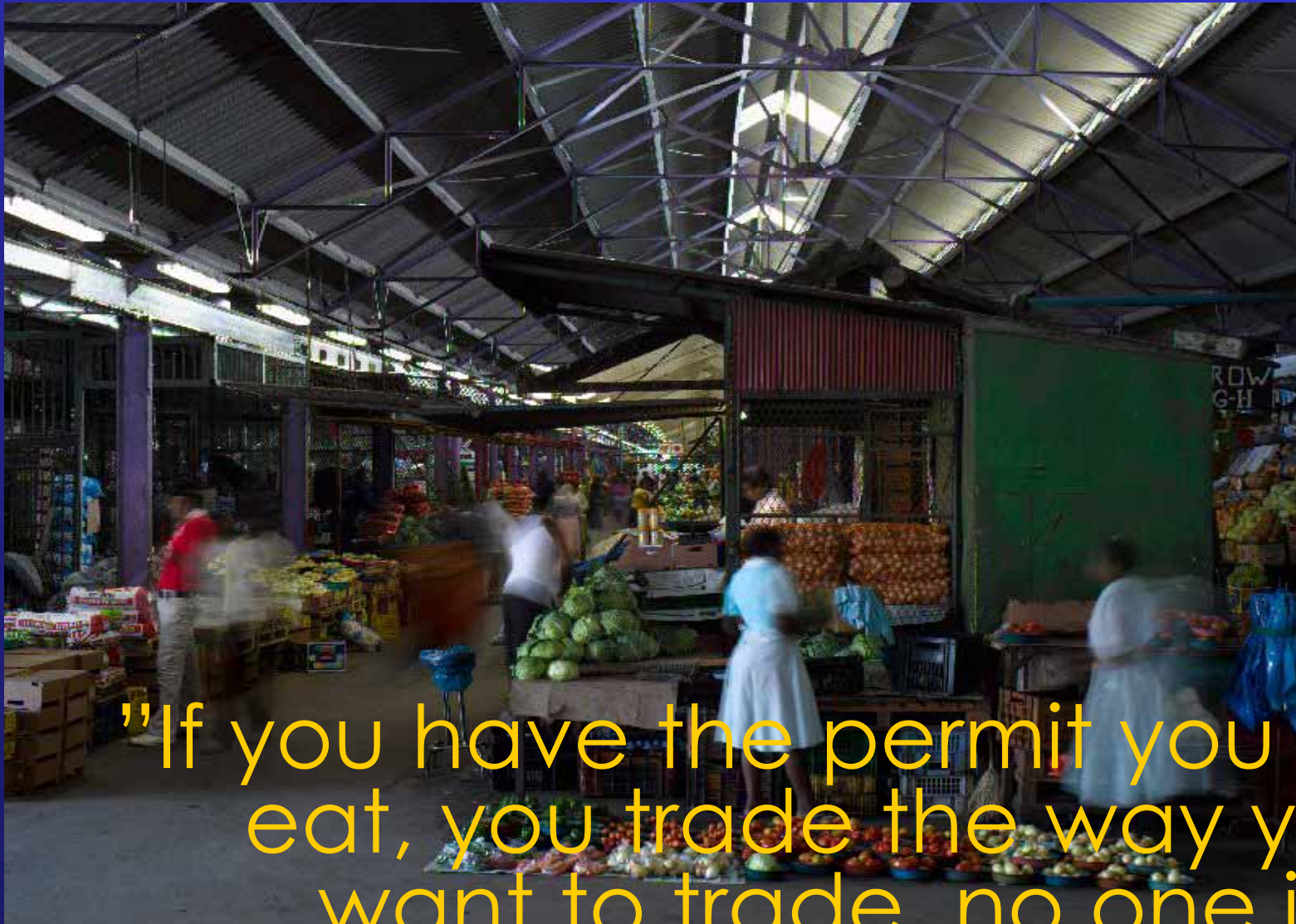
Dependency ratio's: In many cases there are large numbers of people dependent on these incomes.

Employment generated: In many cases traders are one point in an employment chain.

Economic contribution: Although individual incomes are low, these activities are often cumulatively worth a lot of money. (Country wide total expenditure in the informal economy stood at R52 billion in 2004)

Spatial dimension: Profits generated are located in poorer parts of our urban areas.

Priority Interventions



”If you have the permit you can eat, you trade the way you want to trade, no one is disturbing you.”

Traditional medicine trader

31/03/08

1. The right to work - security of tenure

But if you don't and the police confiscate your goods, traders have reported it takes between 3 and 9 months to pay the debts on stock and build up their stock to the same levels.

Removing traders goods happens every day, across the country. The frequency and intensity is increasing.

NO HAWKERS ALLOWED

BY ORDER
EXECUTIVE DIRECTOR
(MARKETS AND INFORMAL BUSINESS)

1. The right to work – Priority intervention

Management of street trading is a local government competence.

National and provincial government however have a constitutionally assigned oversight role that is not being utilised.

National legislation should specify minimum standards for street trader regulation.

2. The space to work - Infrastructure

Survey's show that those working in the streets particularly call for:

- shelter from the elements
- access to water
- toilet facilities
- places to store their goods.

Traders state that well managed environments are good for business.



This trader divides her working life into four periods

- The time of the ‘black jacks’
- Being allowed to operate but with no facilities
- Market trading
- Trading from this kiosk

2. The space to work - Infrastructure

Each phase of greater security and access to more sophisticated infrastructure has lead to substantial increase in stock levels as well as sophistication of her business

This is also a way to deal with what some regard as the 'offensive aesthetics' that lead to resistance to incorporating traders into urban plans

2. The space to work - Infrastructure

There are only a few good examples of trader infrastructure.

The need to consult on design solutions has been identified as critical.

There is a need to document and disseminate the good examples that are out there.

This does however relate to spatial planning and design at a micro and macro level.

3. Protection at work - Health and safety issues



'It's difficult because you have to dig very deep to get to the proper clay. You also need to be strong to get the bags out of the mine. You have to take extra precautions, when you go down you have to ensure that the mine doesn't close on you.' Ma Ngcobo 31/03/2008

4. Trade specific support

- Street traders are one point in a chain of economic activities.
- They are wired into the formal economy in a variety of ways, most frequently through supply
- Although there are cross cutting constraints that traders face (e.g. access to financial services, training), there are also product/trade specific issues that warrant attention.

Fresh Produce Trading

Short term credit at provided
at municipal markets a useful
intervention

Very little collective buying
going on



Pinafore Traders

Manufacturing
space

All this fabric is
imported – Tariffs
key.

4. Trade Specific Support

- These are economic activities that require economically informed interventions.
- Industrial and trade policies critically shape what happens this segment of the economy.
- Detailed trade specific analyses are warranted. (These cut across space.)
- Impact of China not well understood.

Sector Analyses

A good example: Traditional medicine support programme.



5. Support Services

- Access to financial services not just micro credit. Targeted micro-credit for input costs.
- Access to training. Currently this group is falling through the gaps between training for the unemployed and the formally employed.

Summary

1. The rights to work
2. The space to work
3. Safety at work
4. Trade specific support
5. Business support – access to financial services and training

Solutions simple BUT...

Why is this not happening?

- How street trading is managed goes to the heart of our vision for SA cities.
- The World Cup is a threat to this.

→→ Political will lacking

- Street trading is seen as a management rather than an economic issue
- Street traders are weakly organised, local authorities often create 'sweetheart unions'.