

# **DECENT WORK IN CONDITIONS OF FINANCIAL ACCESSIBILITY AND OCCUPATIONAL WELLBEING IN THE INFORMAL SECTOR: A STUDY OF STREET VENDORS IN MUMBAI**

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## **Abstract:**

In the era of globalisation, the retail sector is the fast growing emerging sector after agriculture in India in terms of employment generation. This sector contributes about 10 percent of India's GDP (Gaiha and Thapa, 2007). Moreover, India's recent economic growth has been impressive which has also attracted the world's attention towards Indian economy and it is estimated that India has highest retail density in the World (Ghosh and et. al., 2007; Gaiha and Thapa, 2007). Besides the expansion of the formal retail sector, small retail sector such as local kirana shop, side-walk vendors, vendors including both static and mobile, are also being expanded in Indian labour market.

According to National Commission on Labour, street vendors are identified as self-employed workers in the informal retail sector who offer their labour for selling goods and services on the street without having any permanent built-up structure (Bhowmik 2001). Around 10 million street vendors in India and about 250000 street vendors derive their livelihood and survive their economic activity (GOI, 2004). In the last few decades, there has been a phenomenal increase in the number of street vendors leading to an increase in the number of workers in the informal sector and Mumbai has witnessed for containing highest street vendors (about 250000) among major cities. Literatures (Bhowmik 2001; Anjaria 2006) have stated many problems of street vendors regarding their social protection, working condition, credit

accessibility, and their public space utilisation. Even National Policy on Urban Street Vendors (2004) has pointed out the major problems and recommended policies on their livelihood conditions, social protection, economic activity, organisations or associations for collective bargaining. The basic problem of street vendors is that the right to existence in the urban informal sector. Although this sector's contribution to the country's employment generation is quite impressive, the opportunities for financial accessibility; especially the ones available to the organised retail sector, are completely unavailable to this sector. Moreover, they have no work security, safety and security at work place and poor working conditions.

Hence, this paper is an attempt to understand the condition of the 'decent work' of street vendors in keeping with their financial accessibility for their economic activity and others and occupational wellbeing, taking into consideration; security of work, security and safety at work place and the working condition in terms of working hour, working day in Mumbai.

The study covers 200 street retailers by using three-stage sampling method to draw sample. In **1<sup>st</sup> Stage Unit**, Mumbai had been divided into five parts (Cluster), Chembur, Dharabi, Powai, Ville Parle, Jogeswari in terms of volume of trade and street retailers. In **2<sup>nd</sup> Stage Unit**, in each cluster, street retailers had been divided into seven 'stratum' according to their employment pattern such as garment retailers, fruit retailers, vegetable retailers and others. In **3<sup>rd</sup> Stage Unit**, according to the heterogeneity number of street retailers in each cluster, 'quota' was fixed to draw sample from each stratum on the basis of the volume of street retailers. Street retailers were selected at random within each 'quota' in each cluster. *Structured Questionnaire* was used to directly associate with survey research based on the objectives of this study through *personal and group interview* method.

This study is an explorative in nature, showing that the street retailers depend on the money lenders for credit accessibility for their economic activity as well as for social security purposes in terms of their children's education, maternity purposes, family health care services, accident, operation and medical services. Interestingly, the result shows that the street retailers are also forced to borrow at exorbitant rate of interest (amounting to 5-10% per month) exceedingly for their social security purposes rather than their economic activity that lead them to fall into a debt-trap

situation. As a results, this urban poor group of workers fall into the debt trap. This study explores that small vendors access capital or credit through 'trust' and 'good reputation' with wholesalers. But most of the vendors depend on money lenders at high rate of interest depending upon their product sold by them and volume of trade. This study also reveals that no organisations or trade unions provide credit for running their business. This study explores that there is an excessive hour of work (around 14-18 hours per day) for their economic activity where as previous study done by Bhowmik in 2001 stated that working hour was around 10-12 hours in a day. Thus, working hour has been continuously increasing with increase in number of street vendors in Mumbai. There is no safety security at work place. These street vendors face constant harassment from local police and Municipal Corporation due to lack of work security. Each vendor pays around Rs. 280 to Rs. 310 per month to the local police and the municipality as bribes. Therefore, it can be concluded from this study that there is a 'decent work deficit' in terms of financial accessibility and working conditions in this self-employed group of workers in the urban informal sector in Mumbai.