

# ORIGINAL RESEARCH PAPER

**Economics** 

# STREET GARMENT VENDORS' CONTRIBUTION TO THE ECONOMY AND LOCAL COMMUNITY IN CHITTOOR DISTRICT, ANDHRA PRADESH

**KEY WORDS:** Street vendors, Economy, Local community, Contribution

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RCTRACT

The street garment vendors are playing a significant role in the fields of the economic development through protecting resources (garment products) from such a position where they are treated as wastes; very much less valued products and creating the opportunity for self-employment. This study aimed at showing the economic contribution and the impact of the street vendors to the local community in Chittoor district, Andhra Pradesh. It considered street garment vending as a broad sampling area (since the majority percent of the street vendors are the street garment vendors) and was based on the survey of 150 street garment vendors in different areas of Chittoor district. The study also drew information from the existing literatures and various reports regarding street vending to reach the objective. The major finding of the study was that the street garment vendors are playing significant role in both the economy and the local community of Chittoor district, but they are socially deprived.

### INTRODUCTION

Street garments vending is very common phenomena in many developing countries as well as some developed countries which hold an important share of urban informal employment. In city life informal employment sector plays a significant role by providing a wide range of goods and services to the public. According to city authorities, academics and local NGOs, more than 60 per cent of urban dwellers depend on urban street vendors. Street garments vendors are the people who sell various types of goods and services on streets, railway terminals and platforms, bus stations, besides parks and open spaces with a very low cost to the city dwellers. Street garments vendors are identified as self-employed workers in the informal sector who offer their labour to sell goods and services on the street without having any permanent built-up structure.

The term "street vendor" in English is typically used interchangeably with "street trader," "hawker" and "peddler." There are also many local terms and regional variations. Street garments vendors are sometimes distinguished from vendors who operate in the types of public spaces that are not specifically streets or related to streets – train stations, buses, public parks, and so onbut most commonly the term is used inclusively (WEIGO, 2013).

According to Bhowmik (2010) "Street garments vendors are those who squat in public places such as pavements, parks, or other such places, and those that are mobile as they move from place to place in search of customers...conducting temporary business". According to Sally (2008) The term 'street vendor' may refer to vendors with fixed stalls, such as kiosks; vendors who operate from semi-fixed stalls, like folding tables, crates, collapsible stands, or wheeled pushcarts that are removed from the streets and stored overnight; vendors who sell from fixed locations without a stall structure, displaying merchandise on cloth or plastic sheets; or mobile vendors who walk or bicycle through the streets as they sell. Street vendors work in many types of public spaces: regulated street markets or hawking zones; natural market areas; transportation hubs; sidewalks; medians; and in and alongside the streets themselves. The street vendors provide a cheap and convenient way of meeting consumer demands and affordable goods and services to the limited income to middle income people. In some cities, street traders account for 20 per cent of total employment (Sally, 2010)

### Street Garments Vendors

Street garments vendors are the people who mainly sale

different of garment items in different parts of the cities ranging from open space to massive public gathering and who made a diverse range of selection, starting from kids item, ladies garments, shirt, t-shirt, polo-shirt, pants and other traditional clothes and those who do not have any specific place for vending. Most of them are rural-urban migrant due to the lack of work facilities and public services in rural area. Despite of so many problems street vending provides a sense of self employment to the vendors and a large number of city dwellers from different spheres of life such as students, tourists, rickshaw drivers, cart pullers, and others rely on street garments vendors for their day to day clothes. Street garments vending has been seen as an option for the poor; their legal and social status and business prospects differ domestically/ regionally. In search of a better existence, people are gathering from rural areas in the cities for lack of gainful employment coupled with poverty and are not in position to get a better paid, secured employment in the formal sector and they have to stay for work in the informal sector.

### Literature Review

Akharuzzaman and Atsushi (2010) showed in their findings street garments vendor is one of the better informal job opportunities for poor though they create problems in urban areas to produce street garbage and crowd the footpath and concluded the formalization and public management systems will be beneficial participated by street vender community itself.

Rover (2010) studied the street garments vending issues in six major Latin American Cities and examined demographic trends and working conditions among street traders,, and working conditions and security, legal issues related to the governance of street trade unions and other types of associations, and their strategies and effectiveness.

Saha (2011) analyzed the 'working life' of street garments vendors in Mumbai, in terms of their financial conditions and the extent of indebtedness, the amount of bribes they have to pay in order to sustain themselves in the market, their working hours, the issues of public space utilization, and the legal aspect of their activity. It has been seen from the study that their entire existence and nature of activities are extremely informal and are trust-based.

Suraiya and Noor (2012) showed the businesses of street garments vendors as well as their impacts on society and constituted three central messages like, a large number of people are generating income through street vending, street vendors occupy a large part of informal sector in Dhaka city, street vendors offer intense services for the city dwellers within reasonable cost range.

Warakagoda (2013) provided background information on street vendors, the reasons to consider street vending as an obstacle or as beneficial to urban setting, livelihoods framework, vulnerability context and impacts on livelihoods assets, and finally coping and adapting strategies of street garments vendors.

Sunil Giri and Siddharth Shankar Rai (2013) examined the supply chain structure of the garment industry in India. Indian garment industry is one of the leading garment industries in the world, which is full of diversities and complexities. The study aims at examining the existing structure of the supply chain at every level from raw material to the garment production until it reaches to the customer. The study also focuses on investigating the major supply chain challenges and aims at suggesting the proper supply chain framework. This is an exploratory research study which examines the structures and various issues concerned at every level of the supply chain. The study finds that the Indian garment industry is facing many supply chain issues such as inventory management, visibility, lead time, collaboration, technology and logistics which are almost faced by all the companies all over the supply chain. The companies also vary in their size and are product offerings base on their target customer groups. Study also suggests the appropriate supply chain strategy for every combination of company type and product

Dendukuri Indira(2014) opined that the informal workforce can be divided into two categories namely agricultural employment and non-agricultural employment. This study has adopted exploratory and descriptive design, data was collected from secondary sources. The findings have observed that the non agricultural employment share of the informal workforce is 78 percent in Africa, 57 per cent in Latin America and 45-85 per cent in Asia. It has been found that selfemployment comprises a greater share of informal employment than wage employment. It has been identified that there has been a mushroom growth in the number of street garments vendors in the major Asian cities especially after the financial crisis of 1998. The study further envisaged that although street garments vendors are prevalent in all countries and contributing significantly to the respective economies governments have not framed formal law towards making the sector hassle free.

M. Hasan and J. Alam (2015) opined that the street garment vendors are playing a significant role in the fields of the economic development through protecting resources (garment products) from such a position where they are treated as wastes; very much less valued products and creating the opportunity for self-employment. This study aimed at showing the economic contribution and the impact of the street vendors to the local community in Bangladesh. It considered street garment vending as a broad sampling area (since the majority percent of the street vendors are the street garment vendors) and was based on the survey of 150 street garment vendors in different areas of Dhaka city. The study also drew information from the existing literatures and various reports regarding street vending to reach the objective. The major finding of the study was that the street garment vendors are playing significant role in both the economy and the local community of Bangladesh, but they are socially deprived.

### RESEARCH METHOD

The study was descriptive in nature. It was conducted based on primary as well as secondary data. Primary data was collected through a well structure questionnaire included both open and closed end questions. Before making the final

questionnaire a preliminary survey and discussion with the respondents was conducted by the researchers. Depending the preliminary survey and discussion the final questionnaire was made in which socio economic conditions, demographic characteristics, living conditions, fulfillment of basic needs, problems of vending and their social recognition from 150 respondents.

### RESULTS AND DISCUSSION

### Age Of The Street Garment Vendors

Table 1 shows the frequency as well as the percentages of the vendors in accordance of their age groups.

Table 1 Age of the street garment vendors

Sl. No.	Age(Years)	Frequency	Percentage
1	15 - 25	41	27.3
2	25 - 35	63	42.0
3	35 - 45	27	18.0
4	45 - 55	13	8.7
5	Above 55	6	4.0
Total		150	100

It is observed from the table that most of the vendors engaged with garments vending are in the average age of 25-35 years (42%). Moreover, about one third (27.3%) of them are in the age of 15-25 years but mere 4 per cent of them are in the age of 55-65 years old.

# Economic Contribution: Sales and Income and Savings Selling Different Items

Table 2 shows the percentages of the vendors selling different items of garments.

Table 2 Street Vendors selling different items of garments

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Sl. No.	Different items of garments	Percentage
1	Shirt	23
2	T-shirt	24
3	Pants	28
4	Saries	48
5	Kid's dresses	34
6	others	37

It is found from the above table that the majority of them are engaged with selling saries and kids' items.

# Average Unit Sales per Day per Vendors

The street garment vendors are engaged with different types of garment products to sell. The volume of sales and items vary from vendor to vendor and the details are shown in Table 3.

Table 3 Amount of average sales in units of different items

Sl. No.	Different items of garments	Unit sales
1	Shirt	14
2	T-shirt	6
3	Pants	9
4	Saries	14
5	Kid's dresses	18
6	others	11

Table 3 shows the amount of average sales in units of different items by per vendor per day. The table shows that the kids' item has the highest volume of average sales per day and the lowest volume of average sales is for pants.

### **Daily Sales**

Table 4 shows the daily sales statistics of the respondents.

 ${\bf Table\,4\,Daily\,sales\,statistics\,of\,the\,respondents}$ 

Sl. No.	Amount (Rs.)	Frequency	Percentage
1	500 – 1000	22	14.7
2	1000 – 1500	34	22.7
3	1500 - 2000	31	20.7
4	2000 – 2500	22	14.7

5	2500 - 3000	22	14.7
6	3000 and above	19	12.7
Total		150	100

Much of them have the daily sales of Rs.1000-1500 (22.7%) and 20.7% of them have the sales of Rs.1500-2000. The average sale of per vendor per day is Rs.2475.

### Savings per Month

Table 5 shows the savings status of the vendors per month.

### Table 5 Savings status of the vendors per month

Sl. No.	Amount (Rs)	Frequency	Percentage
1	No savings	8	5.3
2	Below 300	69	46.0
3	300 - 600	31	20.7
4	600 - 900	10	6.7
5	900 and above	32	21.3
	Total	150	100

The table shows that 46 per cent of the vendors have the savings is about Rs. 300 per month. 21.3 per cent of them have the savings is Rs. 900 and above per month and only about 5 per cent of them have no savings.

### **Economic Contribution: Employment Effect**

Street vending is an important source of income and employment and most street vendors undertake vending due to lack of other sources of income and employment. That means street vending act as a supplement of formal employment sector of a country. Vending provides an opportunity that minimizes the impact of social exclusion for many urban residents. Despite the important role of street vending, the activity is less understood, less recognized, and unaccounted for in National economic statistics. This has resulted in lack of enabling policies, regulations and organization of the sector. The street garment trade is rampant and a source of employment and income for many urban dwellers. Street trade has in the past, been viewed as an underground activity that undermines the healthy function of the formal economy. This perception has resulted in conflicts with urban authorities over licensing, taxation, site of operation, sanitation and working conditions. Women have moved from being subsistence and commercial farmers to engaging in trade and informal employment.

### Contribution to the Local Community

The contribution of the street garment vendors in the local community is also notable. The garment vendors sell the garment products to local people of different areas in Chittoor district of Andhra Pradesh and purchasing those products the local community people achieve a major monetary gain as they purchase the branded products at a low price comparing to their actual price in the showroom. One of the customers said, "I bought a pant from the footpath some days ago with Rs.300, if I bought it from the showroom it would cost around Rs.1500".

## CONCLUSION

The street garment vendors play a substantial role by contributing to the economy and to the local communities. They contribute to the economy by selling and adding value to the garments products. The vendors collect the products from different garments companies and sell them in the street. Purchasing those products the local community people achieve a major monetary gain as they purchase the branded products at a low price comparing to their actual price in the showroom. This study revealed that almost all of the vendors have the average savings of Rs.300-600 per month. Though the street garment vendors have a notable contribution to the economy and to the local community in our country, their living standard is very low. Therefore, the government and other non government organizations should concentrate to them and harness required facilities for upgrading their living standards.

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