

## **A Socio Economic Analysis Of Street Vendors In Palani Town Dindugul District Of Tamilnadu**

**Dr. P. Gnana Soundhari**

Guest Lecturer in Economics

Arulmigu Palaniandavar Arts College for Women, Palani.

### **ABSTRACT**

Informal Sector is the most important part of the workforce in India and other developing countries works. After the implementation of Liberalisation, Privatization and Globalization there are several changes in the system and particularly with respect to the informal sectors belonging to Street Vendors. With this background, the researchers intended to study the socio-economic analysis of Street Vendors in Palani town in Dindugul District of Tamil Nadu. There are many Street Vendors in Palani town; hence the researchers used convenient sampling method to select 50 respondents for the present study. The researcher concludes quantity of street vendors is growing day by day, but they are not being to live healthy and safe life because of their economic constraints. So, it is important to explore the current working life street vendors in terms of their income levels, access to finance, working hours, safety at workplace, leisure time, and other important aspects.

**Keywords:** Street food Vending, Street vendors, Unorganized sector.

### **1. INTRODUCTION**

Today vending is an important source of employment for a large number of rural poor as it requires low skills and small financial inputs. Broadly defined, Street vendors may be at a standstill, in the sense that they occupy space on the pavements or other public/private spaces, or they may be mobile i.e. carrying their products from place to place on push carts or in baskets. For the urban poor, street vending is one of the major means of earning their livelihoods, as it requires minor financial inputs and the skills involved are low.

### **STATISTICAL TOOL USED**

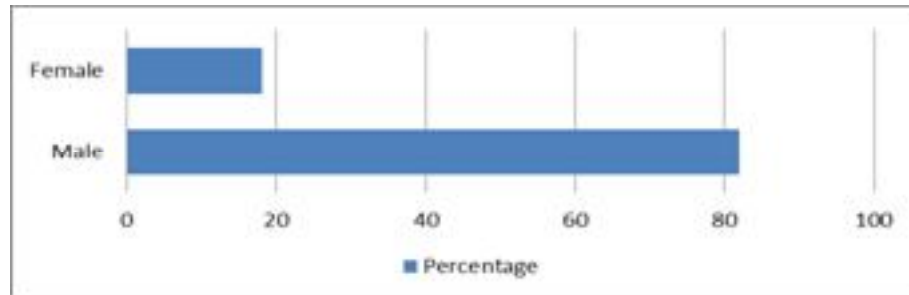
This study is based on the primary and secondary data. Primary data collected from 50 sample in palani town particularly surrounding of lord Muruga Temple is selected on the basis of convenient sampling approach for selecting the respondents' for this survey. The collected data were analysed percentage, arithmetic average, and rank analyses are used. Secondary data collected from various journals records, magazine and websites.

### **2. OBJECTIVES OF THE STUDY**

- 1) To analysis the socio-economic background of the street vendors.
- 2) To identify their awareness level.
- 3) To evaluate the problems faced by the respondents'.

## ANALYSIS AND INTERPRETATION GENDER, AGE, EDUCATION AND COMMUNITY OF THE RESPONDENTS'

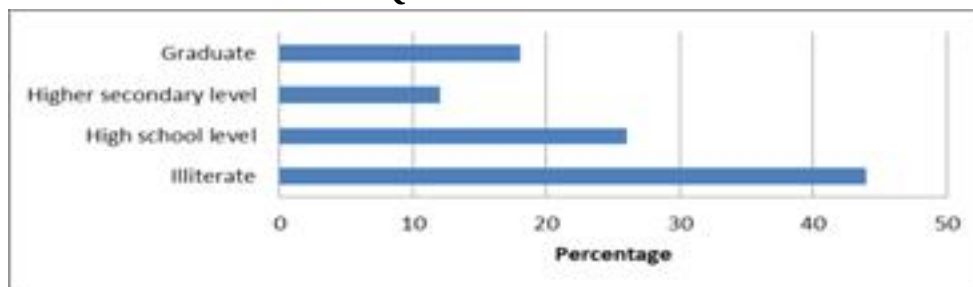
**FIGURE 1. GENDER OF THE RESPONDENTS'**



**Source:** Primary data

Knowledge on the age distribution of household helps to learn about the labor force, dependency ratio etc., in the study area. Majority (50 percent) of the respondents' are belongs to the age group of 35 to 45 years.

**FIGURE 2. EDUCATIONAL QUALIFICATION OF THE RESPONDENTS'**

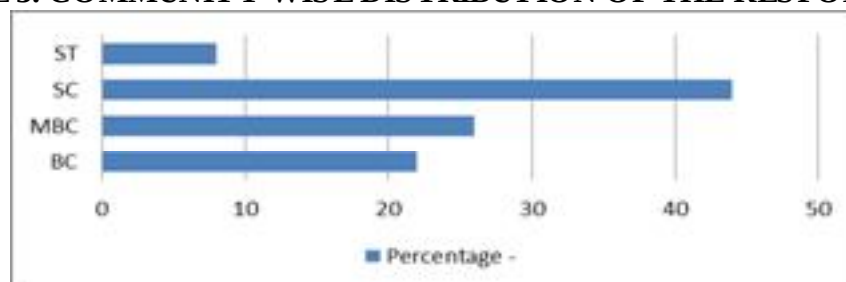


**Source:** Primary data

Majority (44 percent) of the respondents' are illiterate, 26 percent of the respondents' are studied high school level, 18 percent of the respondents' are graduate, and only 12 percent of the respondents' are having higher secondary level education.

The caste system has its own influence on one's economic activity. The rigid customs and traditions followed in India have stratified economic activity on caste basis. Thus it becomes essential to study the relation between community and street vending. Majority 44 percent of the respondents' are belongs to schedule caste.

**FIGURE 3. COMMUNITY WISE DISTRIBUTION OF THE RESPONDENTS'**

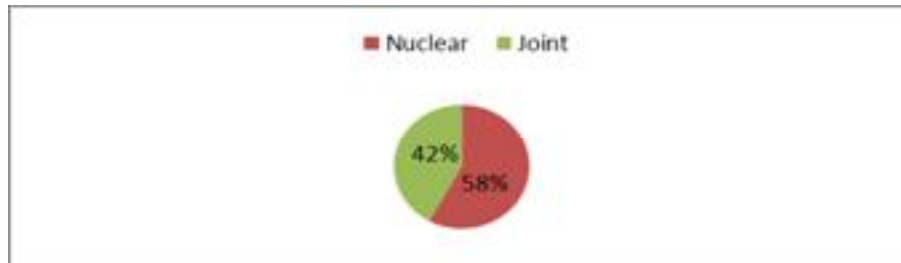


**Source:** Primary data

### **FAMILY TYPE**

Members from a joint family are found to be resources. But today modernization and industrialization the traditional joint family system is slowly fading away. It has disintegrated the traditional joint family system and opened way for independent family system.

**FIGURE 4. FAMILY TYPE OF THE RESPONDENTS'**

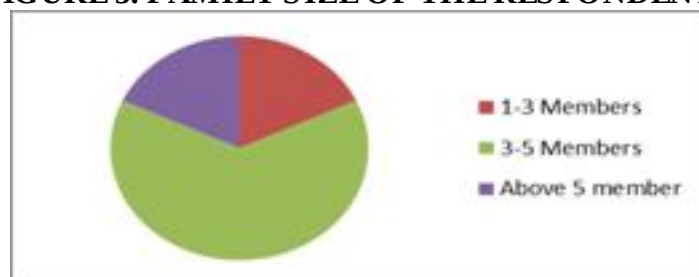


**Source:** Primary data

### **FAMILY SIZE**

Structure and size of the family is also an important factor for consideration family size determines the level of need financial resources.

**FIGURE 5. FAMILY SIZE OF THE RESPONDENTS'**

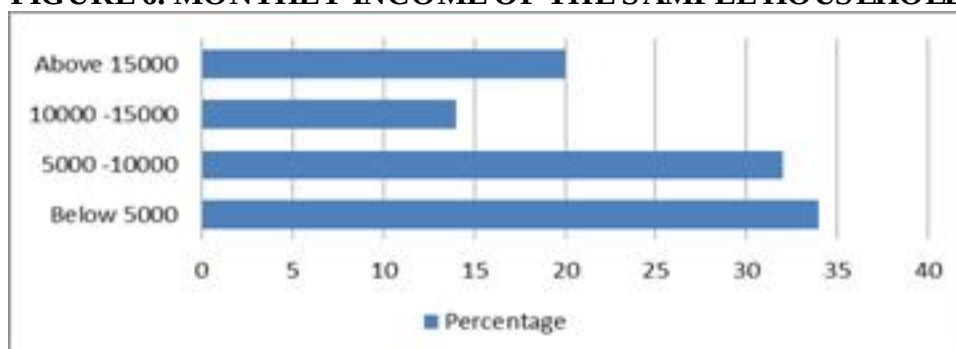


**Source:** Primary data

### **MONTHLY INCOME OF THE SAMPLE HOUSEHOLD**

It is generally perceived that street vending is taken up only by members of poor families. Hence it is necessary to find the status of the street vending household. Majority (34 percent) of street vendor household's monthly income as below Rs.5000. Average monthly income of sample households was Rs.8500.

**FIGURE 6. MONTHLY INCOME OF THE SAMPLE HOUSEHOLD**

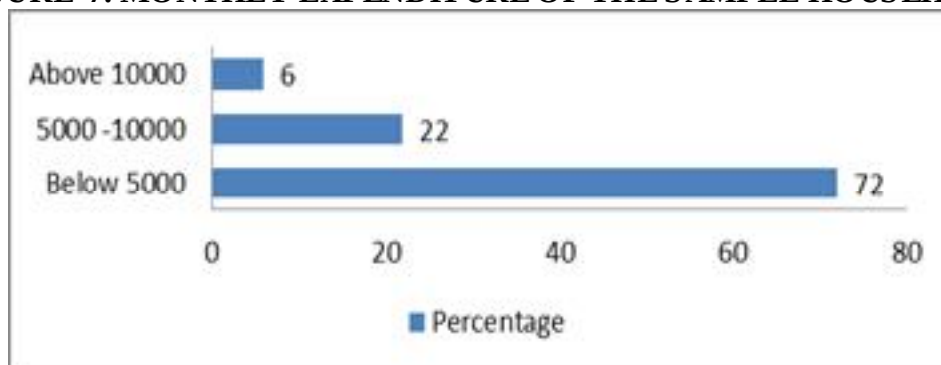


**Source:** Primary data

## MONTHLY EXPENDITURE OF THE SAMPLE HOUSEHOLD

Monthly income is usually spent on consumption of items such as clothing, education, medical, durables, food, fuel, light and miscellaneous goods. A study on the monthly expenditure helps us to find the relationship between the income level and consumption expenditure of sample respondents' household. Majority (72 percent) of the respondents' household spent on below Rs.5000. The average monthly expenditure of all households was Rs.4300.

**FIGURE 7. MONTHLY EXPENDITURE OF THE SAMPLE HOUSEHOLD**

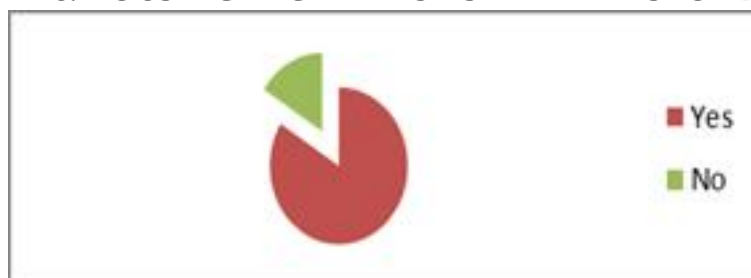


Source: Primary data

## LIVING CONDITION

**HOUSING:** Housing conditions helps us to understating the living condition of street vendors. Electricity, water, toilet facility, cooking fuel and type of house are important indicators of economic well-being of people. A focus on it would help improve life condition of people. Majority 84 percent are having own housing facility and 16 percent of the respondents' did not own house and lived in rented house.

**FIGURE 8. HOUSING FACILITY OF SAMPLE RESPONDENTS'**

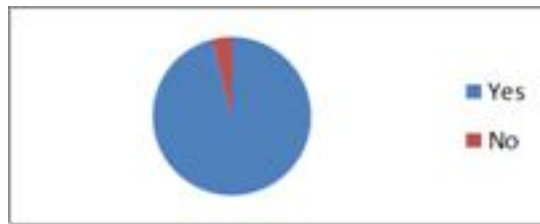


Source: Primary data

## HOUSEHOLD POSSESSION

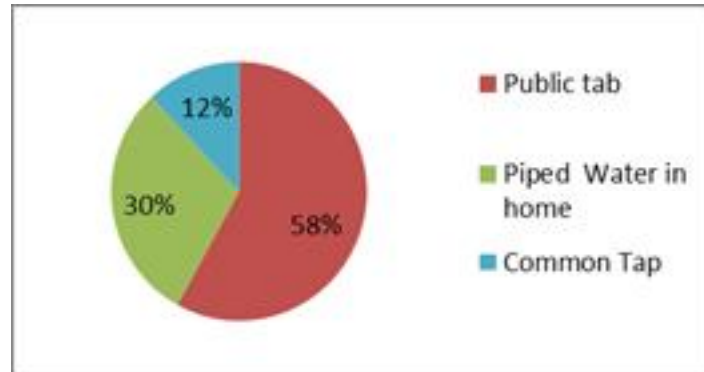
Possession of assets and amenities reflect a household's quality of life. The day to day lifestyles of household can be assessed by the consumption patterns through access to amenities. Provision of basic services such as piped water, sanitation system and electricity has been an important goal in Indian developmental planning. Majority (96 percent) of them had their houses electrified and only 4 percent of them not electrified.

**FIGURE 9. ELECTRICITY FACILITIES OF THE RESPONDENTS'**



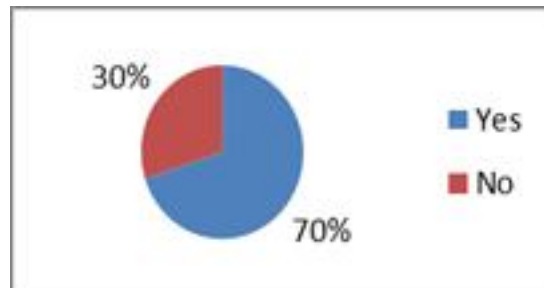
Source: Primary data

**FIGURE 10. WATER FACILITIES OF THE RESPONDENTS'**



Source: Primary data

**FIGURE 11. TOILET FACILITY OF THE RESPONDENTS'**



Source: Primary data

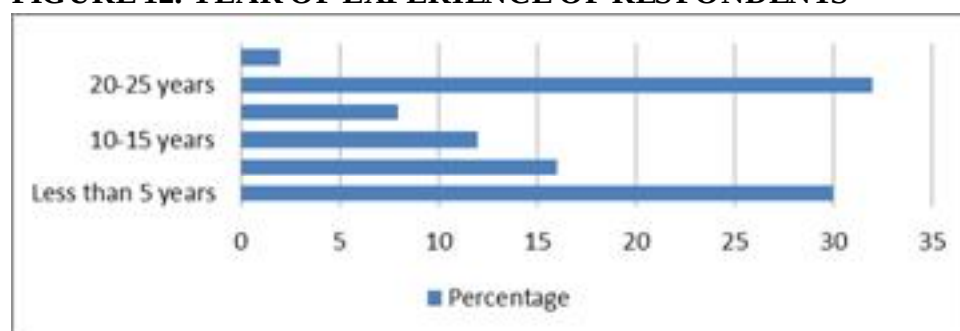
## **MEMBERSHIP IN STREET VENDORS UNION /ASSOCIATION**

Membership in street vendor's union may place a street vendor in a better position. Their membership may help them represent their problems in collective manners. 76 percent of the street vendors were not associated with any union. Only 24 percent of the street vendors in the study area were a part of street vendors union.

## **YEAR OF EXPERIENCE OF IT STREET VENDING**

It is perceived that selling and earnings of new entrants in street vending are comparatively lower than that of the experienced street vendors, hence it is highly important to understand the respondents' duration in street vending activity to analysis income and economic status. Majority (32 percent) are involved in street vending for 20 to 25 years.

**FIGURE 12. YEAR OF EXPERIENCE OF RESPONDENTS'**



**Source:** Primary data

## INVESTMENT

Initial investment reflects the size of street vending. It decides the scale of operation. It also becomes a base for evaluating one's skills, talent and risk-taking ability.

## SOURCES OF FUND

A source of finance is an important factor for street vending. Access to credit has long been cited as a major hurdle for low investors. Street vendors are seen to involve in activities that need only low capital investments. Financial institutions are reluctant to sanction these meager amounts as loans. Forwarding financial services to street vendors would raise their income and help street vendors come out of their critical economical conditions. Majority (76 percent) of the respondents had developed upon their work by borrowed funds and 38 percent are invested in their own fund.

Amount of borrowing for entering in street vending, out of 38 respondents are borrowed, of them majority (26 percent) of the respondents' amount borrowing are Rs.10,000 - Rs.20,000, years of borrowing of street vendors, majority of the respondents' (32 percent) are 20-25 years of experience, monthly repayment of borrowed amount of the respondents', majority (39 percent) of the respondents are repaid per month below Rs.5,000.

## OPERATIONAL COST

Operational costs are the routine costs of running a business. While these vary based upon the type of business, many basic types of operational costs exist which a business must consider while budgeting. Some of these operational costs are fixed, which means that these costs are identical from month to month, such as rent. However, other operational costs are variable and may go up or down from month to month, such as utilities. Monthly operational costs for total sample respondents are majority (28 percent) of the respondents' operational cost was Rs. 2500-Rs.3500.

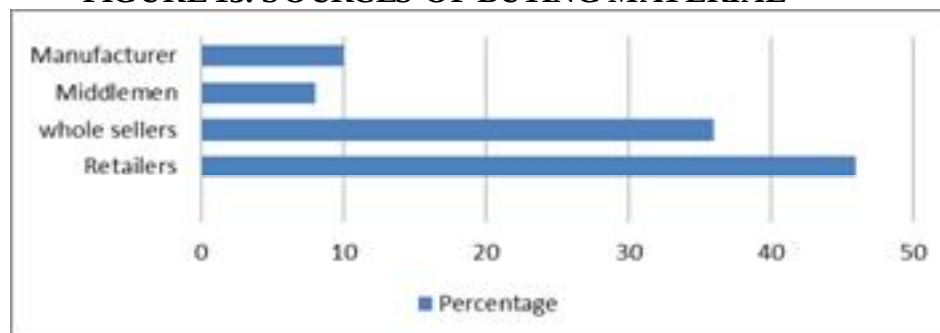
## MONTHLY PROFIT

The main aim of any street vendor is to gain profit and improve his standard. It can be attained by satisfying the consumer's wants by providing products and services of their need. Majority (48 percent) earned a monthly profit of below 7000.

## SOURCES OF PURCHASE

It becomes essential to find whether street vendors buy their wares directly from manufactures or from intermediaries like wholesalers, retailers and agents cost of buying varies accordingly. A street vendor selects place of purchase not only based on cost differences but also based on convenience. Majority (46 percent) of the street vendors in the study area are purchased wares from Retailers.

**FIGURE 13. SOURCES OF BUYING MATERIAL**



Source: Primary data

## FREQUENCY OF PURCHASE

A street vendor deals with small quantities of materials or wares in the course of selling. Demand for goods fluctuates according to location of selling, season etc., A street vendor may choose to purchase daily, weekly, monthly according to convenience and nature of products deals with. Most (54 percent) of the street vendor in the study area made their purchase 'daily'.

There are various factors influencing the respondents' to select a street vending. It is found that researcher, interest and experience, less competition, easy to venture, low cost of investment and easy availability of raw martial's are ranked by the respondents' 1,2,3,4 and 5 respectively as the most influencing factors for street vending. Hence, it can be concluded that interest and experience as the highly ranked factors for entering street vending.

There are the various compulsive factors influencing the respondents' to select street vending. It is found that researcher poverty, family business and lack of employment opportunities are ranked by the respondents' 1, 2 and 3 respectively as the most compulsive factors for selecting street vending. Hence it can be concluded that poverty as the highly compulsive factors for selecting street vending.

## PROBLEMS OF THE STREET VENDORS

Street vendors face a number of problems at their work place. These difficulties reflect in their income. As a reason it become necessary for to analyses to problem faced by street vendors. Majority (64 percent) of the respondents' are disagreed too difficult in obtain the raw materials, 54 percent are disagreed to problem in getting minimum profit, 36 percent of respondents' are neutral to stiff competition, 48 percent of the respondents' are agreed to problems of storage facilities, 78 percent of the respondents' are disagreed to disrespect from public, 50 percent are disagreed to exploitation of money lenders, 68 percent are disagreed to levy of fine by municipal authority and 80 percent of street vendors are disagreed to levy of fine for police.

**AWARENESS ON STREET VENDING**

Lack of awareness hinders one's growth. The respondents' awareness on various grounds related to street vending was found by comparing 'street vendors' awareness level before and after taking up street vending.

From this analysis, there was no much level of change in the respondents' awareness level after entry into vending except in case of awareness on street vendors association. In the case of Institutional credit facilities improvement in awareness level is very low. It was only increase from 36 percent to 52 percent. Awareness about welfare scheme of government, the increases from 44 percent to 64 percent, in case of policies of the government for street vendors it was from 48 percent to 68 percent and awareness about rights of street vendors increased from 24 percent to 76 percent.

**3. CONCLUSION**

Individuals choose street vending as their employment activity out of interest and experience in the same line. Poverty was the main compulsive factor that pushed them into street vending. They purchased their wares on a daily basis from retailers, majority of them were not licensed. Street vendor's membership in their association was found very low. In the midst of all these difficulties, most of the street vendors have emerged to be very successfully in their activity in the study area.

**4 REFERENCE**

- 1) Etzold, B. (2015). Selling in Insecurity – Living with Violence: Eviction Drives against Street Food Vendors in Dhaka and the Informal Politics of Exploitation. In G. Kristina, & H. Noa (Eds.), Book: Street Vending in the Neoliberal City: A Global Perspective on the Practices and Policies of a Marginalized Economy (pp. pp.164-190). New York: Berghahn Books.
- 2) Saha, D. (2011). Working Life of Street Vendors in Mumbai. The Indian Journal of Labour Economics, 54 (2), 301-325.
- 3) Daniels, P.W. (2004), 'Urban Challenges: The Formal and Informal Economies in Mega-Cities', Cities, Vol. 21 No. 6, pp. 501-511.
- 4) Sultana, F. (2007), Reflexivity, Positionality and Participatory Ethics: Negotiating Fieldwork Dilemmas in International Research", ACME: An International E-Journal for Critical Geographies, Vol. 3 No. 7, pp. 374-385.