

Assessing the Employment Risks in Street Vendors: A Study on Sylhet City in Bangladesh

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Abstract: *The study explores that street vending is highly correlated with asset risk and health risk factors. It also found that 24.2 percent (majority) street vendors are selling textile goods, 19.8 percent and 13.3 percent are selling fruits and vegetables respectively. 40 percent of the street vendors are semi-permanent, 26 percent are semi-mobile, 17 percent are permanent and 17 percent are mobile; almost 70 percent street vendors are having their startup capital of less than Tk. 10,000, whereas 59.3 percent of respondents are having a minimum of profit less than Tk. 300 per day. This study is cross-sectional and descriptive in nature. The sample size of 248 from five important locations of Sylhet city in Bangladesh was approached. Samples were selected at random by applying convenience sampling technique. Interview had been conducted using standard questionnaire. Descriptive statistics, Cronbach alpha and correlations were applied to explore the results. Data were analyzed through SPSS.*

Key words: *Street vendor, Employment risks, Descriptive Statistics, Spearman Correlation.*

1.0 INTRODUCTION

Poverty and lack of paid employment in the rural areas and in the urban cities drive large numbers of people to the capital city for work and livelihood. These people generally possess low skills and lack the level of education required for the better paid jobs in the structured sector. For these people, hawking/street vending is one of the means of earning a livelihood, as it required minor financial input and the skills involved are low and also no entry level barriers in this job (Pappeswari & Rajalakshmi, 2014). Street vendors are the most noticeable sector of the informal economy. Vending as profession has been carried out all along in the known history and it has been an integral part of both urban and rural cultures. A street vendor is broadly defined as a person who offers goods and services for sale to public without having a permanent built up structure but with a temporary static structure or mobile stall. The term 'street vendor' includes stationary as well as mobile vendors and it incorporates all other local/region specific terms used to describe them (Bhowmik, 2005). Street vendors offer different products and services by occupying space on the pavements or other public or private areas. Street vending is not only a source of employment but provides affordable services to the majority of urban

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population. The role played by the hawkers in the economy as also in the society needs to be given due credit but they are considered unlawful entities and are subjected to continuous harassment by police officers and civic authorities.

Lack of productive employment coupled with poverty in rural areas has pushed people out of their villages in search of a better existence in the cities. These migrants do not have the skills or the education to enable them to find better paid, secure employment in the formal sector consequently, they have to settle for work in the informal sector. There is another section of the population in these countries which is forced to join the informal sector (Bhowmik, 2005). Sylhet city is known as one of the richest cities in Bangladesh with a population of more than five hundred thousand. Most of the developing cities in Bangladesh have a large number of street vendors as an informal trade in the main urban transaction points. Most of the street vendors are rural-urban migrant due to lack of work facilities and public services in rural area. The local authorities of Sylhet city see the street vendors as a *Problem* for their urban areas as they constraint the regular movement of the city dwellers in the footpath and so on. Without street vending in the urban areas a large number of urban dwellers fall into a critical situation in their lives. Not only the low-income group but also the middle-income group of urban dweller depends on street vendor for shopping in their lives. In addition, poor urban dwellers cannot fulfil their basic need without those informal activities in urban areas.

Street vending is an essential factor for a large number of urban dwellers to maintain their livelihood. Street vendors are those who are unable to get regular jobs in the remunerative formal sector on account of the low level of education and skills (Pappeswari & Rajalakshmi, 2014). For most street vendors, trading from pavements is full of uncertainties. They are constantly facing many problems by local authorities (such as conduct eviction to clear the footpaths, confiscation of merchandise etc.) that make their livelihood at stake. It is very important that these vendors assisted to manage their livelihood in an affable and nuisance free atmosphere.

2.0 LITERATURE REVIEW

Low skilled rural migrants existed in all countries of Asia but they are more prevalent in the developing countries such as India, Bangladesh, Nepal, Cambodia, and Vietnam (Bhowmik, 2005). The street vendors of Bangladesh were more vulnerable than those in the neighboring countries due to poverty, lack of space for vending and lack of awareness about their rights (NASVI, 2002). Street vendors are illegally possessed on the public sidewalk, thus they are not originally designed in a city street planning, which inherited various problem such as unpleasant urban scape and especially obstruction for pedestrian (Dool, 2005). Street vending has gone through many transformations over the years; new types of floating vendors have taken over the streets of Dhaka with innovative marketing strategies and street vendors sell almost everything they could carry, starting from candies, popcorn, towel, lemon, and hand fan. Cooled bottled water, seasonal flowers,

stuffed toys, candy floss, cigarettes, toothbrush, pen, children's book, even pirated copies of latest popular books, and many more (New breed of street vendors, 2008).

Like other developing countries in Bangladesh the street vending is an activity that provides employment to many, while providing nutritious, inexpensive, and ready-to-eat food to millions of workers and low income groups. The customers range from upper class business men to homeless beggars. Urbanization and longer distances from homes to work places make it impossible for many workers to eat at home. Therefore the numbers of workers buy street foods as their daily meals. Street food shops are very small, so vendors or hawkers can easily set their shop anywhere. In front of every school, university, office, footpaths these shops are available, and they are very popular (Rahman, Rahman, & Ansary, 2014). There are over 5 lakh hawkers in the country and each of them on an average pays Tk. 50 every day to linemen, who are private agents of extortionists. The rates vary depending on the location of the stalls. Hawkers trading busy streets buzzing with commuters have to pay more; around Tk. 850 crore is extorted from hawkers every year. If the hawkers are unable to pay the extortion money, they are tortured, and their makeshift stalls and goods are damaged (Molla & Islam, 2014). There are more than 5,000 regular street vendors in Sylhet city.

City mayor circulated a public notice to free the city footpaths and evicted the hawkers within a week from city streets. Such eviction may lead to an inhuman life along with the families after losing their earning sources owing to the drive conducted against the street vendors (Munir, Lack of space hinders rehab of Sylhet city hawkers, 2013). The corporation authorities, in association with the Sylhet Metropolitan Police, have already removed some makeshift shops from the main roads including Bondorbazar, Zindabazar, Chowhatta, Laldighirpar, and Surma Point in the city as keeping the city streets congestion-free and reclaiming its footpaths from illegal occupation of street vendors was one of the main election pledges to the citizens (Munir, Sylhet mayor launches clear city move, 2013). Though a large number of urban dwellers depend on urban street vending, the developing cities have no guidelines for street vending. However, the local governments of developed cities have special guidelines for controlling their street businesses.

The vendors of developing city have no alternative opportunity to maintain their lives without street vending due to the lack of formal job opportunities for them. On the other hand, urban authorities of developing cities have no proper guideline for their large number of street vendors (Akharuzzaman & Deguchi, 2010). The compliance of the regulatory measures of street vending is minimized if they ignore the harsh socio-economic realities of a particular cultural environment; in such a situation the regulation remains not only purely symbolic and ineffective but also allows a climate of harassment and extortion (Illy, 1998). "The socio-economic profile of the street vendors, the entrepreneurial background, status of trade, its competitiveness and problems have also been studied.

The pattern of job search of migrants in urban labor market, and the influence of demographic, social and economic characteristics of the migrants on their job attainment and earnings is demonstrated in some of the research work” (Santapparaj, 1996). Studies have also made a care for developing a support system for the informal sector with accessibility to land, credit and support from public agencies for better performance. The available of credit is a crucial factor for their purchasing capital equipment or hiring it for use (Kundu & Lalitha, 1998).

Food vendors in Bangladesh and Sri Lanka noted that as street vendors are in the informal sector, there is no systematic documentation of the number of street food vendors; their ages range between 25 and 60 years with a majority being in the age group of 30-40 years. The study recorded the employment history of the food vendors and found that their previous involvement in several urban-based, irregular, and low-paid activities that required hard manual labor which pushed them into the street food business. These vendors do not always make much profit and they tend to move from one place to another to get better markets (Tedd, Liyanarachchi, & Saha, 2003)

In most cities, hawking is regarded as an illegal activity. Local bodies impose restrictions on the use of urban space for street vending. Hence there is a need to study the relationship between employment risks and street vending. Thus, the scope of the study is primarily limited to investigating the relationship between street vending and its employment risk.

3.0 OBJECTIVES OF THE STUDY

- To identify the demographic profile of the street vendors in Sylhet city
- To explore the various types of products and services offered by the street vendors
- To study the types of street vendors along with their employment context and status
- To identify the major types of risks associated with their employment

4.0 METHODOLOGY

This section describes the methodology which includes collection of data, construction of questionnaire, descriptive statistics, Cronbach alpha and Spearman co-efficient of correlation, field work and data analysis.

4.1 Collection of data

The study is based on both the primary and secondary data. The primary data were collected from respondents directly with the help of interview schedule. Secondary data were collected from journals and websites.

4.2 Construction of interview schedule

The interview schedule was constructed by the researchers themselves. The variables included were identified by the researcher in the pilot study. The variables identified were

converted into appropriate questions and they were included in the interview schedule. It was circulated to academicians and in the light of recommendations from them the interview schedule was modified. Personal interview of the Street vendors' had been conducted on an average interviewing time 15 to 20 minutes.

4.3 Sampling design

The sample was street vendors in Sylhet city of Bangladesh selected from Sylhet city. Six important locations of street vendors had been taken as sampling frame; street vendors usually do business in those locations. The sample size was selected as 248 consisting of 50 street vendors from two locations such as Kinnbridge and Surma point. Courtpoint and Amborkhana consist of 100 street vendors and each had 50 vendors. Zindabzar and Bondorbazar had 98 street vendors and both of the locations had equal vendors. They were selected by applying convenience sampling. Interview had been conducted using standard questionnaire with two parts.

Part A, consists of demographic information of street vendors such as name, age, gender, religion, products name and types, income, study level, startup capital, savings per month, profit per day, street vending type, employment context and status, and location Part B (Different types of employment risks), consists of nineteen variables that were designed in a Likert scale format which is given five point rating scale ranges from strongly disagree to strongly agree.

4.4. Field work and data collection

The researcher carried out field work for the survey over a period of 25 days in the month of June and July 2014. The required information is collected through interview schedule.

4.5 Tools for Analysis

Data were analyzed with the help of table, cross tabulation and percentage (descriptive statistics). Cronbach alpha was used to justify the reliability of the variables and Spearman co-efficient of correlation was used to test the hypothesis to find out whether any relationship exists between employment risks and street vending. The gathered data was analyzed through Statistical Packages for Social Sciences (SPSS) version 20.

Hypotheses

- H₁: There is a relationship between income risk and street vending
- H₂: There is a relationship between asset risk and street vending
- H₃: There is a relationship between sanction risk and street vending
- H₄: There is a relationship between health risk and street vending

Limitations

Some respondents were reluctant to provide the necessary information due to the fear that the information might be used against them for illegal purposes. It was a challenge to find the respondents free because there was a crowd place and they were always busy with

customers. It was time consuming because we had to move from one vendor to the other and had to wait for their free time.

The study has some other limitations too. First, this study considered only the Sylhet based street vendors. The survey method was used for data collection therefore the responses might or might not be free from personal biases. Further, the study considered only few dimensions of employment risk determinants of street vending. Even though limitations exist, the study made significant contributions in context of the street vendors' livelihood and employment.

5.0 RESULTS AND DISCUSSION

From Table 1, it is seen that 248 street vendors have been surveyed from six important locations. Among the interviewees, 98 percent of them found to be male. Most of the street vendors (44.4 percent) are found within the age limit of 21-30 years. Majority of the street vendors are married and Muslim consecutively with 54 percent and 92 percent. Regarding educational qualification, it is observed that 79.4 percent of street vendors are found below Secondary School Certificate (SSC). Street vendors of 54 percent are maintaining a family member of 5 to 8 person.

Table 1: Street Vendor's Profile

	Frequency	Percentage
Survey cases	248	100
<u>Location-wise Street Vendors</u>		
Kinnbridge and Surma Point	50	20.2
Bondorbazar	49	19.8
Courtpoint	50	20.2
Zindabazar	49	19.8
Amborkhana	50	20.2
<u>Gender</u>		
Male	243	98.0
Female	5	2.0
<u>Age</u>		
Less than 10	1	.4
11 – 20	63	25.4
21 – 30	110	44.4
31 – 40	38	15.3
41 – 50	21	8.5
51 – 60	11	4.4

	Frequency	Percentage
More than 61	4	1.6
<u>Marital status</u>		
Married	134	54.0
Unmarried	113	45.6
Divorce	1	.4
<u>Religion</u>		
Muslim	227	91.5
Hindu	21	8.5
<u>Education</u>		
Below SSC	197	79.4
SSC	22	8.9
HSC	6	2.4
Diploma	1	.4
Others	22	8.9
<u>Family size</u>		
1 - 4	90	36.3
5 - 8	134	54.0
9 - 12	22	8.9
13 - 16	1	.4
17 - 20	1	.4
<u>Types of street vendors</u>		
Permanent	43	17.3
Semi-permanent	98	39.5
Semi-mobile	64	25.8
Mobile	43	17.3
<u>Startup capital</u>		
Less than Tk. 10000	173	69.8
Tk. 10001 thru Tk. 20000	26	10.5
Tk. 20001 thru Tk. 30000	8	3.2
Tk. 30001 thru Tk. 40000	4	1.6
Tk. 40001 thru Tk. 50000	3	1.2
More thanTk. 50001	9	3.6
No response	25	10.1

	Frequency	Percentage
<u>Profit per day</u>		
Less than Tk. 300	147	59.3
Tk. 301 thru Tk. 600	59	23.8
Tk. 601 thru Tk. 900	18	7.3
Tk. 901 thru Tk. 1200	11	4.4
More than Tk. 1201	1	.4
No response	12	4.8
<u>Duration of business</u>		
Less than 1 year	36	14.5
1 - 3 year	52	21.0
4 - 6 year	41	16.5
6 year and above	119	48.0
<u>Types of Products</u>		
Vegetables	33	13.3
Fruits	49	19.8
Textile	60	24.2
Flower	3	1.2
Tea stall	7	2.8
Chotpoti and Puchka	5	2.0
Jhalmuri	3	1.2
Peanuts	2	.8
Newspaper and Magazine	10	4.0
Books	1	.4
Different types of medicine	2	.8
Popcorn	1	.4
Stuffed toys	4	1.6
Chutney	6	2.4
Fish	4	1.6
Otto and Hats	4	1.6
Cobbler	3	1.2
Betel leaf and Cigarette	5	2.0
Watch repair shop	5	2.0
Polythene	3	1.2

	Frequency	Percentage
Umbrella	2	.8
Comb and wallet	2	.8
Clay made products	4	1.6
Lemon juice	2	.8
Ice-cream	2	.8
Tea leaves	2	.8
Others	24	9.7
Source: Field survey, 2014		

Regarding types of street vendors, it is seen that almost 40 percent of the street vendors are semi-permanent followed by 26 percent semi-mobile, permanent and mobile 17.3 percent each. In the investment category, almost 70 percent street vendors are having their startup capital of less than Tk. 10,000, whereas 59.3 percent of respondents are having a minimum of profit less than Tk. 300 per day. Street vendors consists of 48 percent are doing their business above 6 years. Street vendors are mainly selling various products; it is found that textile goods, fruits and vegetables are occupied consecutively 24.2 percent, 19.8 percent and 13.3 percent.

Table 2: Reliability of variables

Variable	Risk category with number of items	Reliability(Cronbach's Alpha)	
		Sub-items	Overall items (17)
Employment risk factors	Income risk (6)	0.641	0.763
	Asset risk (4)	0.621	
	Sanction risk (2)	0.610	
	Health risk (5)	0.776	

Source: Field survey, 2014

After identifying the street vendors' employment risk factors for the study, a scale to measure each factor was selected and overall scale reliability was checked by Cronbach's Alpha Reliability test. In this study, the scale selected is having a Cronbach's Alpha value of 0.763 (table 2) for employment risk factors. The Cronbach's Alpha results show a positive relationship with the items considered for this study.

Table 3: Descriptive Statistics of Street Vendor's Employment Risks

Types of Employment risk	Employment risk variables	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mode
		Frequency in percent					
Income risk	IR ₁	14.1	12.9	12.1	33.1	27.8	4
	IR ₂	13.3	14.5	21.8	38.7	11.7	4
	IR ₃	6.0	13.3	33.9	34.3	12.5	4
	IR ₄	40.3	27.8	15.3	13.7	2.8	1
	IR ₅	47.2	24.6	17.3	9.7	1.2	1
	IR ₆	9.7	6.0	8.9	41.1	34.3	4
Asset risk	AR ₁	16.9	21.8	29.0	19.4	12.9	3
	AR ₂	28.2	29.8	17.3	20.6	4.0	2
	AR ₃	16.5	16.9	27.4	22.2	16.9	3
	AR ₄	18.1	12.1	22.6	35.1	12.1	4
Sanction risk	SR ₁	52.8	12.5	19.8	10.9	4.0	1
	SR ₂	11.3	9.3	27.4	37.1	14.9	4
Health risk	HR ₁	8.1	14.1	15.7	34.7	27.4	4
	HR ₂	7.7	10.9	21.4	34.3	25.8	4
	HR ₃	10.1	18.1	25.8	29.4	16.5	4
	HR ₄	8.5	16.5	12.1	42.7	20.2	4
	HR ₅	6.9	13.3	31.0	27.0	21.8	3

Source: Field survey, 2014

The above descriptive statistics, table 3 (based on frequency column) shows almost 43 percent agreed and 20.2 percent strongly agreed that health risk such as different illness as they operate near busy road (HR₃) which might affect their employment. 41.1 percent agreed and 34.3 percent strongly agreed that income risk such as Political instability (Hartal, Strike, Show down etc.) (IR₆) can have negative impact on their income. Regarding sanction risk, 52.8 percent strongly disagreed about legal sanction (SR₁).

The descriptive statistics, table 3 (based on Mode column) also shows that street vendors agree about ten employment risk factors (IR₁, IR₂, IR₃, IR₆, AR₄, SR₂, HR₁, HR₂, HR₃, HR₄) followed by neither agree nor disagree about three employment risk factors (AR₁, AR₃, HR₅) and strongly disagreed about three employment risk factors (IR₄, IR₅, SR₁).

Table 4: Correlation analysis between Street Vending and Employment Risks

Spearman's rho		Income risk factors	Asset risk factors	Sanction risk factors	Health risk factors
Street vending	Correlation Coefficient	-.032	.240**	-.039	.337**
	Sig. (2-tailed)	.620	.000	.542	.000

Source: Primary Data

** . Correlation is significant at the 0.01 level (2-tailed).

Table 4 shows the correlation matrix by displaying the correlation coefficients between Street vending and the employment risk factors (income risk, asset risk, sanction risk and health risk). The correlation coefficients indicate the strong point of the connection between the variables, where a coefficient is considered significant if the p – value is less than 0.05 (Schervish, 1996). The Spearman correlation results indicate that asset risk (AR) and health risk (HR) variables are correlated with street vending. However, health risk and asset risk factors seem to have the strongest correlation, with correlation coefficient values of 0.337 and 0.240, respectively. Based on the table 4, income and sanction risk factors are not significantly correlated with street vending where p – values are greater than 0.05. However, the correlation results suggest street vending is correlated with asset and health risk. Therefore, the consequences can be interpreted to indicate that moderate health risk and asset risk are related to street vending.

Table 5: Results of hypotheses

Hypothesis	Findings
H ₁ : There is a relationship between income risk and street vending	Rejected
H ₂ : There is a relationship between asset risk and street vending	Supported
H ₃ : There is a relationship between sanction risk and street vending	Rejected
H ₄ : There is a relationship between health risk and street vending	Supported

The outcome of this study suggests that asset risk and health risk are significantly related to street vending. This study exemplifies a positive light employment risks in street vending. From the result of this study, it is clearly seen that asset risk and health risk can have significant impact on street vendor of Sylhet city in Bangladesh.

6.0 CONCLUSION, IMPLICATIONS AND SCOPE FOR FURTHER RESEARCH

It is a good attempt to find out employment risks among street vendors. This study has demonstrated how street vendors' employment context and status support them to

continue their livelihood although the employment risk factors correlated significantly among street vendors in Sylhet.

In the light of discussion, it can be said that employment risks such as asset and health risk elements have an important effect on street vendor's livelihood. In order to mitigate the asset and health risk of the street vendors' implication of few policies may be revised or adopted from regional countries having similar social values. In case of Malaysia and Thailand, Government ensures not only registration and Taxation of urban street vendors but also their health care and asset insurance. Policy makers duly acknowledge the contribution of street vendors on urban governance and microfinance. Therefore the individual and collective rights were duly addressed by the controlling agencies of the street vendors which might be adopted in the mentioned study area Sylhet as a pilot project.

The same study in other sectors or areas like Dhaka and Chittagong can also be carried out so as to figure out something new about the studied variables and their associations. Therefore this study further allows the practitioners and academicians to explore new insight into the area of street vendors' profession.

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