

**LOCAL GOVERNMENT IN TRANSITION - A GENDERED  
ANALYSIS OF TRENDS IN URBAN POLICY AND  
PRACTICE REGARDING STREET TRADING IN FIVE  
SOUTH AFRICAN CITIES**

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**The views expressed in this Research Report should not be attributed to the School of Development Studies.**

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## Abbreviations

ANC	African National Congress
BID	Business Improvement District
CEDAW	United Nations Convention on the Elimination of all forms of Discrimination Against Women
CBD	Central Business District
DITSBO	Department for Informal Trade and Small Business Opportunities (Durban's Central Councils)
GEAR	Growth, Employment and Redistribution
ITMU	Informal Trade Management Unit (Cape Town City)
MLC	Metropolitan Local Council
PPP	Public-Private Sector Partnerships
PIBA	Pretoria Informal Business Association
SADC	Southern African Development Community
SEWU	Self Employed Women's Union
SMLC	South Metropolitan Local Council (Johannesburg)
SMME	Small, Medium and Micro Enterprises
WIEGO	Women in Informal Employment: Globalising and Organising

## 1 Introduction

South Africa is a pilot site for the action research project WIEGO in Africa. Women in Informal Employment: Globalising and Organising is an international collaborative network of researchers and women in the informal economy - home based workers and street vendors or street traders. One goal of the project is to promote a more favourable policy environment and more appropriate interventions for women street vendors, at local, national and international levels.

The project in South Africa is timely in that during the 1990s, and with the transition to democracy in 1994, there have been substantial changes in policies which affect women street traders. Gains have been made by the women's movement; the importance of the informal economy to South Africa's economy has been recognised; and it is now becoming explicit policy to integrate street trading and other informal sector activities into urban planning. In what ways have these positive moves started impacting on women working on the streets? What are the obstacles to this occurring? How do cities differ in the way they have approached the transition? Is it possible to identify practices which should be replicated in other areas - and identify practices which should be strongly discouraged?

This paper presents the results of a comparative study of five South African cities - Johannesburg, Pretoria, Durban, Cape Town and East London. The direction of the study was informed by guidelines set down in the Bellagio Declaration that was formulated in 1995 by the International Alliance of Street Vendors at a conference in Bellagio, Italy. The declaration calls for action to be taken by international organisations, by vendors and vendors associations, and by national and local governments to protect and promote the interests of those working in the informal economy. With regard to government interventions, specific attention was paid to:

- measures which would make street vending a special component of urban development by treating vendors as an integral part of the urban distribution system
- measures which would give legal status to vendors, through laws, licenses, and vending zones
- measures which would enable access to secure space from which to work
- measures which would protect the right to seek secure livelihoods
- measures which would seek to increase the allocation of resources to street vendors, including facilities and infrastructure, as well as support services such as access to credit and to training
- measures which would promote the participation of vendors in local governance, and tripartite appeal mechanisms for dispute resolution
- measures which would protect the needs of special groups such as children and people with disabilities<sup>1</sup>.

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<sup>1</sup> The needs of children and people with disabilities are not included in this study.

The informal economy is not a homogenous undifferentiated entity with one type of worker and it is constantly changing through the process of the informalisation of parts of the formal economy. Workers in the informal economy will have different class, racial and gendered interests. The conditions under which groups will co-operate or compete with each other will be constantly in flux.

This paper is written with the interests of survivalist, or poorer street traders in mind, and with a particular focus on women. The first WIEGO report (Lund, 1998) synthesised existing research on women in the informal economy in South Africa. It profiled a 'typical trader' as one who would be retailing goods on the street, be literate in her own language, but not in the language used by those in government with whom she interfaces. She is not likely to have any experience in the formal labour market. This paper has this 'typical trader' in mind, mindful that it is an artificial construct. Future WIEGO reports, which consider organisations of street traders and mechanisms for their inclusion in governance, will introduce more nuanced categories.

This paper takes an in depth look at the institutional environment within which the traders work in different cities. Section 2 gives an overview of the changing policy environment with respect to women, the informal economy, and the new integration of economic policy in local government. Section 3 describes each of the five cities, selecting characteristics which are most apposite to understanding street trading. The institutional analysis starts in section 4, which considers street trading policies and by-laws. Section 5 then analyses local government restructuring. It covers the location of responsibility for street trading and the informal economy in city structures giving an analysis of the officials and councillors concerned with it. It then considers the implications for the lives of street traders of one of the key future changes within metropolitan governments - the greater centralisation of power. Finally resource allocation to street trading is described (or rather, the difficulty of getting adequate information about this, given local government budgeting practices at present).

Section 6 discusses three trends in urban policy governing street trading - the outsourcing of the management of street trading to trader associations, to property owners and the creation of dedicated markets. The way in which this impacts on poorer women traders is highlighted. Since the early 1990's the number of foreigners operating on South African streets has dramatically increased. Through the course of the research, antagonism between foreign and South African street traders emerged as an important issue and Section 7 considers the response of local authorities to this phenomenon. The conclusion highlights progress made in South Africa with respect to specific items in the Bellagio Declaration.

## **Scope and Method**

This study focuses on central business districts (CBDs) within the five cities. At the time of writing the metropolitan areas are divided up into local councils<sup>2</sup>. The Southern Metropolitan Local Council (MLC) in Johannesburg, North and South Central Local Councils in Durban, the City of Cape Town in Cape Town, and the Central Substructure in Pretoria, are focused on. These areas broadly incorporate the CBDs. The study was limited in this way to make it more manageable. CBDs were selected on the basis that there are a relatively large number of street traders and high density trading. Local government's approach to street traders in, for example, former Black township areas, is likely to be quite different.

A study was made of primary source documents - policy documents, by-laws, and press clippings. More than forty Interviews with key informants were conducted in the five cities as well as in a smaller town, Queenstown, during the latter half of 1998. Interviewees were mostly local government officials dealing directly with traders - area managers, department heads, and councillors. In addition, interviews were conducted with consultants working for local government and street trader organisation leaders.

Parallel to the interviews, Local Policy Dialogues were conducted in Johannesburg, Cape Town and East London. Here street traders were invited to raise and debate their concerns with local government officials, in dialogues lasting between two and three hours each. These local dialogues were followed, in November 1998, by a National Policy Dialogue with representatives of traders and local government from the five cities.

All of these data-gathering activities built on Focus Group interviews which were held with groups of women street traders in Durban, Cape Town, East London and Queenstown.

It will be clear in the paper that the research is trying to pin down facts, and identify trends, in a rapidly changing environment. Local government is being restructured, so officials change positions frequently. Also, accounting systems are being restructured, so comparisons between cities as regards resource allocation are difficult to make. The paper will identify where there are gaps in information.

## **2. The South African policy environment**

Since 1990 South Africa has been undergoing a period of dramatic change in policy making, co-ordination and implementation. There are three areas in the policy

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<sup>2</sup> The Johannesburg metropolitan area comprises four metropolitan local council's (MLC's) divided geographically into a northern, southern, eastern and western local councils. Durban in contrast has six local councils or substructures divided geographically as follows - North Central, South Central, North, South, Inner West, Outer West. Cape Town has six substructures - City of Cape Town, South Peninsula, Blaauwberg, City of Tygerberg, Oostenberg and Helderberg. The Greater Pretoria Metropolitan area has three substructures - North, Central and South.

environment that are of particular relevance to this study - gender equity; small, medium and micro enterprise (SMME) policy, particularly as it relates to street traders; and local government.

In the 1990s there have been many fronts on which gains have been made for women. A quota system in party lists was instituted for the 1994 elections and South Africa now has one of the highest proportion of women parliamentarians in the world. South Africa ratified the United Nations Convention on the Elimination of all forms of Discrimination against Women (CEDAW) in December 1995. In 1996 the Commission on Gender Equality was established. Its brief is to act as a watchdog to ensure that the rights of women are not violated, part of its role is to monitor compliance with CEDAW. There is a set of co-ordinated structures within and outside government to entrench gender equity. This is co-ordinated by the Office on the Status of Women, situated in the Office of the Deputy President. As part of the process to implement gender equality, 24 government departments have made a commitment to integrate gender concerns into every aspect of their work. The commitment to gender equity, however, has only been translated into policy in a limited way.

In the field of labour, women's leadership in trade unions was weakened when many women trade unionists took seats in the provincial and national parliaments. On the other hand, new legislation on employment equity, and protecting basic conditions of employment, should consolidate the position of women workers. The real gains that have been made so far, however, still have to be translated into opportunities for women's concerns to be heard and for poorer (especially rural) women to be adequately included.

Since the late 1980s, in line with international trends, there has been increasing recognition in South Africa of the SMME sector as developmentally important. During the early 1990s there was a process of national level policy formulation, and in 1995 the White Paper on National Strategy for the Development and Promotion of Small Business in South Africa was released. The White Paper commits the state to creating an enabling environment for the development of small enterprises, and identifies four categories in the informal economy, one of which is survivalists. This is the category into which most street traders would fall. The paper identifies support strategies for each category except survivalists. As has been pointed out, what is seen by policy makers as a 'micro-enterprise' is not micro enough to incorporate this latter category (Lund, 1998:11).

A new era for street traders had in fact come into effect before the release of the White Paper, with the 1991 Businesses Act. Before 1991, street trading was controlled by local government and street traders were seen as a nuisance. It was very difficult to get a licence to trade and the laws required street traders to relocate continuously. Street traders were consistently, and often violently, harassed. The new Businesses Act, a national law, sought to reduce the powers of local authorities to develop and implement

laws that would restrict informal trading. Thus legally there was a complete turnabout from a situation where traders were not being allowed to trade, with few exceptions, to traders being allowed to trade freely, with a few exceptions. Consequently there was a rapid increase in the numbers of street traders in all urban areas. The Businesses Act is a clear acknowledgement of street traders as business people, who contribute to the economy, and who should therefore be given space to trade. It is indicative of a shift in national government thinking about the informal sector. Local authorities, however, have resisted losing control over street trading.

In 1995 the Businesses Act was devolved to a provincial level. Currently whether street trading responsibilities are to be given back to local authorities is in question. This is a key issue of this study.

The shift in approach to SMMEs broadly, and street traders specifically, is shaped by, and runs parallel to, changes in the nature and structure of government. Governance in South Africa has shifted from the centralised authoritarian state of the apartheid era to a democratic regime. Provincial and local government are separate levels of governance, in a three-tiered system. There is a particularly dramatic change in the role of local government. The 1996 South African Constitution [Section 152(1)] states that municipalities must aim -

- 'a) to provide democratic and accountable government for local communities;
- a) to ensure the provision of services to communities in a sustainable manner;
- b) to promote social and economic development;
- c) to promote a safe and healthy environment; and
- d) to encourage the involvement of communities and community organisations in the matters of local government'.

The two aspects of most relevance to street trading are that local government is responsible for promoting economic development, and in the light of the White Paper on Small Business this would include street traders; and that it is committed to participative governance<sup>3</sup>. Some of these new roles are crystallised in the concept of developmental local government. The White Paper on Local Government defines this as:

Local government that is committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs and improve the quality of their lives (Republic of South Africa, 1998:ix).

Another important trend in the South Africa policy arena generally, but particularly at local government level, is the promotion of public-private sector partnerships or PPPs.

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<sup>3</sup> The implications of participative governance for street traders is the focus of a forthcoming research report.

The enthusiasm for PPPs in South Africa rests on the recognition that the public sector is unable to deliver alone, and that partnerships would assist in releasing resources from the private sector to implement major developmental programmes.

From the perspective of survivalist (women) street traders, the policy changes in the areas of gender equity, SMME policy and local government are, in principle, positive. They are, however, relatively recent policy developments that are in the process of being implemented. These policy developments are happening against a background of a national commitment to fiscal austerity as reflected in the macro-economic strategy - Growth, Employment and Redistribution or GEAR. Further, since 1994, the South African economy has not fared as well as was hoped. Unemployment has worsened. GEAR pins its employment growth projections on an increase in manufacturing employment; yet despite an increase in manufacturing output, employment in this sector has fallen. Despite slight improvements in the growth rate it is 'still way below that which is required to impact on employment and development' (Habib and Padayachee, 1999:18). The question for this study is then to what extent positive policy developments are being translated into concrete changes for women street traders.

Globalisation and its specific impact on urban areas forms the backdrop for this study. As McCarthy and Bernstein (1998:22-3) point out, cities can no longer be seen in isolation as a local economy within a closed national economy, but have to be defined in terms of the role of similar cities within a borderless global economy. The literature on globalisation, while pointing to the watering down of national boundaries, highlights 'a parallel process of localisation' (Lash and Urry, 1994:280) where the local is increasingly important. Cities link flows of products, people, information and finance between sources and destinations. City governments have an important role to play in managing these processes.

### 3. The Cities

Cities differ by size, by racial composition and by main economic activities. No one knows the numbers of street traders. They however are mostly black and poor. Further, there are more women street traders than men and women are disproportionately represented at the poorer end of the sector.

#### 3.1 Population

Table 1  
The Population of Five Cities in South Africa<sup>4</sup>

Johannesburg Metropolitan Area	3 510 000
Durban Metropolitan Area	2 360 000

<sup>4</sup> These figures were obtained from Metro Information Centres in the respective cities. They are not necessarily drawing on the same data sets so are not directly comparable. The 1996 census results were not available at the time of going to print.

Cape Town Metropolitan Area	2 801 000
Greater Pretoria Metropolitan Area	1 680 000
East London	500 000

As is clear in Table 1, Johannesburg has the largest population of the five cities, and East London has the smallest. The Pretoria figure has been contested. As McCarthy and Bernstein (1998: 13-14) point out there are areas surrounding the greater metropolitan area that, if commuter and employment patterns are tracked, are functionally dependent on the city. It is thus argued that there are two Pretoria's - the Greater Metropolitan Pretoria Area, and functional Pretoria. Horn and Crankshaw estimate the latter to be populated by 2.6 million people (quoted in McCarthy and Bernstein, 1998: 13-14). Taking this into consideration Durban, Cape Town and Pretoria have similar population sizes.

Table 2  
The Racial Composition of Four Cities in South Africa  
 (percentage of total population)<sup>5</sup>

	Black <sup>6</sup>	White	Coloured	Indian
Johannesburg/ East Rand	66	26	4	2
Durban	68	10	2	18
Cape Town	26	22	49	1
East London	76	17	6	1

South African cities have different 'racial histories', connected to policies surrounding industrial development and the controlled movement of labour. Table 2 shows Cape Town to have the highest proportion of coloured people, and the lowest of Black people. This is because it was a 'coloured preference area' with strict controls placed on the entry and presence of Black people. In Durban about one fifth of the population is Indian, and a high proportion of the entire Indian population in South Africa lives in Durban.

The number of street traders in each city is difficult to compare. Durban, the only city to have conducted a metro-wide census of street traders, found over 19 000 street traders in 1997. In Johannesburg it was estimated that in the CBD there were 10 000 street traders (Greater Johannesburg Transitional Metropolitan Council, 1995:1).

In all but Cape Town's CBD, the South African street traders are predominantly black. In the Cape Town CBD stall owners, although often employing Black South Africans, are predominantly coloured, and the coloured community appears to dominate trading activities in this area. Although many Indian people live in Durban and there are a number of Indian traders operating in the CBD, they do not dominate street trading activities in the same way.

### **3.2 Dominant economic activities**

Johannesburg is the primary industrial centre in South Africa. The main economic activities in Durban are manufacturing, transport (with the port being a major feature) services and tourism. Cape Town's key sectors are manufacturing, tourism, services and trade. Pretoria, as the administrative capital, is the bureaucratic centre of South Africa. Pretoria's economy is dominated by the public sector and larger private sector

<sup>5</sup> The Johannesburg, Durban and Cape Town figures from McCarthy and Bernstein's (1996a:7). East London statistics were supplied by the Administration Department.

<sup>6</sup> The former South African government delineated four main racial groups: Black, White, Coloured and Indian. The use of this terminology does not signify acceptance of the terminology or the system of racial naming.

firms. East London acts as a retail centre for surrounding areas. The motor industry is one of the main industrial activities in this city.

### 3.3 Poverty and inequality

South Africa has one of the highest rates of measured inequality in the world. Unsurprisingly the patterns of poverty and inequality in South Africa largely take a racial form. Blacks constitute 77% of the population and 60% of Black people are classified as poor. Whites constitute 11% of the population, with only 1% classified poor. There is increasingly steep inequality within the Black population with the growth of an, as yet small, but very wealthy elite.

The rural areas, and especially the former bantustan<sup>7</sup> areas, experience the highest rates and shares of poverty. The urbanisation rate is now just over 50% and millions of poor people also live in the peri-urban informal settlements where life is hazardous, services are poor and environmental controls few. There is also new and extensive inner-city poverty.

South Africa is currently experiencing one of the highest reported unemployment rates in the developing world. Using a 'narrow' definition of unemployment (only including those who are not working and actively searching) South Africa has unemployment rates of between 12% and 20%. Using a broad definition (including the discouraged), the unemployment rate stands at between 30% and 33% (Klasen and Woolard, 1998a:1). More women than men are unemployed. According to the 1995 October Household Survey, 36.2% of all Black people were unemployed<sup>8</sup>. When this figure is disaggregated by gender the result is 45.7% unemployment among women and 28.6% unemployment among men (Klasen and Woolard, 1999:35). Unemployment among rural women is particularly high. As is the case in most developing countries, female-headed households in South Africa are poorer and more vulnerable than male-headed households. Women have less access to employment opportunities than men. Yet households headed by younger women in urban areas perform better on nearly every important indicator than do households overall (Ardington and Lund, 1996:49). The limited survey evidence that exists shows that the vast majority of street traders, and especially women, turn to informal sector trading through need rather than choose it as voluntary alternative to formal sector employment.

### 3.4 Politics

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<sup>7</sup> Former bantustan areas comprise the so called independent states - Transkei, Venda, Bophuthatswana, Ciskei - and six self governing homelands - Lebowa, Gazankulu, QwaQwa, KwaZulu, KaNgwane, KwaNdebele.

<sup>8</sup> This figure is for the broad definition of unemployment.

At local government level, the African National Congress (ANC) is well represented in most councils, if not the dominant political party. In the light of the ANC's overall policy agenda, a progressive approach to street trading might be expected. However, this does not appear to be the case in every instance. A number of interviewees said that local councillors seem to have a conservative approach to street trading, despite the new political and racial make up of councils. A high ranking ANC councillor explained this as follows:

'The majority of the present set of councillors have never been councillors before. They want to be seen to be delivering a good product, not something that appears to be falling apart or leading to the city's degeneration.'

### 3.5 Central business district transformation

Historically Black South Africans were systematically excluded from central business districts (CBDs). The last decade has seen a process of 'Africanisation' of CBDs. Increasingly there has been consumer stratification along class lines with middle to upper-middle income consumers abandoning the CBD in favour of decentralised shopping malls. Although there are differences between cities, there is a tendency for CBDs to be more mass market orientated, servicing largely Black consumers. The implications of this for street traders is that, coupled with policy deregulation, CBDs have provided increasing business opportunities.

However business is simultaneously relocating to the suburbs as well, meaning that there are fewer customers in the CBD. Office vacancy levels, as Table 3 shows, are high. Johannesburg and Pretoria are much worse off in this regard than their coastal counterparts. Historically the office market in Pretoria's CBD has been dominated by the public sector at national and provincial level. The relocation of the Gauteng provincial government away from Pretoria to Johannesburg has had a significant impact.

Table 3  
Office Vacancies in Five South African Cities (first quarter, 1997)<sup>9</sup>

Pretoria	20%
Johannesburg	16%
Durban	12%
Cape Town	8%
East London	12%

This 'flight from the city' is identified as a major issue for local government in all the cities in this study. Street traders are often portrayed to be a key part of the 'crime and

<sup>9</sup> The figures for the first four cities are contained in the McCarthy and Bernstein (1998:21). The East London figure was quoted from Associated Property Brokers in East London.

grime' that is driving people and business away from the city. This is clearly demonstrated in media reports. Uncontrolled trading may well contribute to a negative image of the CBD. The response is often to suggest dramatically reducing the number of traders rather than to put better management structures in place. Further, the implied causality between crime and street trading is inaccurate. Street traders are more often victims of crime, than perpetrators. In Durban's CBD, traders have in fact contributed to the reduction of crime levels through the innovative organisation, Traders Against Crime, where traders work together with the police force in identifying and arresting criminals.

The reasons for offices relocating are more complex than is commonly portrayed. In Johannesburg, lack of parking in the CBD, as well as inadequate electrical wiring in older buildings housing companies with new technological needs, were both identified as a key reasons for office occupants moving to the suburbs (Goga, 1999). Further, Goga's study identifies the 'pull factor' of property developers constructing major office complexes outside the CBD as more significant than 'push factors'. A Durban official summed up the debate:

'Street traders do not cause decentralisation, they are rather a symptom of the change in CBDs.'

### **3.6 Informal trading in the five cities**

It was clear in interviews with officials in other cities that Durban is seen as a success story in terms of what has been done for street traders. Durban's Department of Informal Trade and Small Business Opportunities (DITSBO) has secured comparatively large amounts of money for infrastructural development, indicating a degree of political prioritisation of street trading. There is more visible infrastructural development in Durban than there is in any other city. There is however a perception, as one stakeholder pointed out, that infrastructure is built in the areas that are important for the city's image, or where there are formal sector lobby groups to please - the Beachfront, which is an important tourist node for Durban as a holiday destination; Warwick Triangle, which is the gateway to the city; and the two main streets in the CBD, West and Smith.

The approach to informal trading in Johannesburg is chaotic in comparison. There are some areas where trading sites have been demarcated, and some where this is still to happen. Johannesburg's financial crisis was cited in interviews as impacting significantly on all local government activities. The department that deals with street trading was designed to have 159 staff. It currently has 29, less than one fifth of what was planned. Because of the cash crisis all posts have been frozen. In the South Metropolitan Local Council (SMLC) where a large percentage of street traders are located, there is only one manager and six project officers. Comprehensive regulation is therefore difficult, and only 'pressure spots' are dealt with.

Street trading has been more of a high profile issue in Johannesburg than in any other city for two reasons. Firstly, the concern about office decentralisation has been particularly acute in Johannesburg. Consequently street trading has been in the political spotlight. Secondly, there have been a number of violent clashes between South African and foreign street traders in Johannesburg which have been widely publicised in the press.

In Pretoria, street trading is highly regulated. McCarthy and Bernstein portray Pretoria as struggling to break away from being 'apartheid's model segregated city' (1998:30). Local Government has a close relationship with one street trader organisation, the Pretoria Informal Business Association (PIBA), and was in fact, instrumental in establishing it. The official in charge of street trading in Pretoria said that his department often removed traders on PIBA's request, indicating the nature of their relationship. When the city centre was being declared a restricted trading area, the number of traders was being reduced from well over 750 to 250. PIBA was made responsible for selecting who was to be given sites. All those who were granted sites were given training. It is thus clear that a smaller (and potentially better-off) grouping of traders in Pretoria's city centre has been created.

The director of SMMEs for the Pretoria metropolitan council admitted:

'One association has found favour with the traffic official in charge of trading, and this is at the cost of those who are not affiliated to this organisation as they have lost the opportunity to sell.'

The issue is how traders are included and excluded. For those less lucky traders, the council officials openly admitted enforcement is harsh. This is likely to have a particularly negative impact on women street traders. Women are in a weaker position than their male counterparts to deal with and oppose heavy-handed treatment from local government officials.

Informal trading in Cape Town CBD is different from trading in any other city. Firstly, there are a larger number of structured markets in Cape Town than in the other cities. Secondly, street trading is a more lucrative activity. Traders outside Cape Town's station pay between R800 and R960 a month per site - an amount traders operating in other CBDs, particularly survivalist women, would be unlikely to afford. Thirdly, the trader organisations are well established and relatively strong with a number of them having been around for a long time. Finally, Cape Town in certain areas outsources management responsibilities, largely to these trader organisations, to a greater extent than any other local authority. As will be argued later on, this is a system that often discriminates against poorer Black traders, who are largely women.

East London is an important retail centre for the Eastern Cape region. In East London, informal trading, like Johannesburg, is chaotic. The CBD is densely traded. The by-laws have only recently been promulgated so for a number of years street trading has been unregulated. Many foreign street traders operate in the CBD and there have been incidents of violent conflict both between foreigners but also between South Africans and foreigners. As informal trading does not have one institutional home within local government, developing this sector in this city will be difficult (see 5.2).

#### **4. Street trading policies and legislation**

##### **4.1 Street trading policies**

The five cities are at different stages in street trading policy development. Johannesburg and East London both have street trading policies. The Durban and the Cape Town Metropolitan Council are in the process of producing a policy. Pretoria does not have a policy statement on street trading.

Where there are city level policies they appear to be in line with national and regional policy i.e. they seek to promote and support the small enterprise sector, of which the informal trading sector is considered to be an important component. The Johannesburg and East London policies emphasise the importance of street trading as an activity that contributes to the economy. For example, the introduction to the Johannesburg Policy states:

Knowing that the informal sector plays a vital role in the future, the greatest challenge to Local Government is to promote and effectively manage informal trading (Greater Johannesburg Transitional Metropolitan Council, 1995:1).

In the absence of a street trading policy the primary regulatory tool is street trading by-laws. As is clear from the next sub-section, by-laws are aimed at restricting rather than facilitating street trading. The Johannesburg policy, for example is structured around a number of policy concepts followed by implementation strategies. Examples of these policy concepts are developing informal trading environments, managing of informal trading, opening communication channels between stakeholders, encouraging joint ventures between business, hawkers or resident communities in order to facilitate the management and development of the sector, and building capacity of hawkers and their associations. Enforcement of by-laws is only one of the twelve policy aims. A much more holistic approach to the management and development of the street trading sector is thus encouraged. As one organisation leader said:

‘Policies are key to securing a shift from ‘policing’ to a developmental approach to street trading.’

She went onto say:

‘Policies can be a powerful tool for street traders organisations when keeping more conservative elements within local government in check.’

In considering the internal workings of local government there is a tendency for the environment in which decisions are made around street trading issues to be a particularly reactive one. There are pressures from various formal business groupings on one hand, and street trading interests on the other. As one street trader organisation leader said:

‘Decisions are often made according to who is making the most noise.’

Street trading is frequently described as a political ‘hot potato’. Officials confirm this when they describe how they experience councillors. As one local government official said:

‘One day councillors will be very supportive about developmental initiatives in the street trading sector and the next they will angrily ask why we are not being stricter with enforcement.’

In this environment policies assist local government officials by giving them guidance and / or a reference point.

In all of the cities, a number of different departments deal with street trading. For example, in Durban, DITSBO, the City Police, the Health Department, the Urban Planning Branch of the Development and Planning Service Unit, the Traffic and Transportation Department and the Legal Department are only some of the departments that have daily contact with street traders or impact on their lives very directly. Each department has a specific concern and may approach informal trading quite differently.

As the East London informal trading policy discussion document highlights:

An informal trading policy should be promoted within the City Council so as to inform and direct Council action in its dealings with the informal trading sector. It is hoped that it will enable departments to act with a common cause and move in the same direction (City of East London, 1995:1).

If cities are to genuinely incorporate street trading into long term urban plans a policy provides guidance - a vision. The East London discussion document goes on to say:

The policy should be used as a planning tool, so that planning for the informal sector will be rightfully placed at the centre of the city's urban planning framework (City of East London, 1995:1).

It is thus clear that a key contribution of a street trading policy is to engender consistency - between different officials, between departments and over time.

## 4.2 By-laws

Whether or not they have developed street trading policies, most cities and towns have now formulated street trading by-laws in line with the Businesses Act. The Businesses Act was amended in 1993 and some powers to restrict trading were given back to municipalities. Municipalities were empowered to establish areas where trading was restricted or prohibited all together. In areas where trading was restricted, spaces could be demarcated and hired out. In the time between the passing of the Businesses Act at a provincial level and the formulation of new street trading by-laws being formulated, municipalities were powerless to do anything about street trading. This is why in some places street trading has been so uncontrolled. Officials in a number of the cities studied identified this sequence of events as making the task of managing very difficult - they had to shift from a situation of no control to one of much greater control.

Since the amendments to the Businesses Act in 1993, all the areas under review have passed by-laws and defined areas where trading is prohibited or restricted. Street trading by-laws generally contain clauses which:

- prevent traders from obstructing the movement of traffic or pedestrians
- ensure that the movement of safety and service vehicles is not restricted
- protect the public from potentially dangerous street trading equipment like cooking fires, gas or electrical equipment or unsafe stacking of goods
- limit the attaching of street trading equipment to fire hydrants, buildings, road signs or other structures which the public needs to see or have access to
- ensure that traders keep their sites clean.

The street trading by-laws of different cities and towns are similar because they all use the Businesses Act as a guide. There are, however, important differences, some of which are highlighted in what follows.

### 4.2.1 Sexist language

The majority of street traders and their helpers are women, yet the use of sexist language is common to a number of by-laws. The Cape Town by-laws, for example, contain statements like 'no person carrying on the business of street vendor.. shall ... keep the area or stand occupied by *him* for the purpose of such business in an unclean and/or insanitary condition... (and) carry on *his* business in such a manner as to be a danger or threat to public health or public safety' (Clause 4, emphasis added). In

Durban and Pretoria by-laws, street trader employees and those assisting street traders are also referred to as 'he'. Nicola Armacost, a labour lawyer who has concentrated on the informal sector, says that the international norm when gender specific language is used is that a disclaimer is included in the definitions section stating that the term 'he' is being used generically. This is not the case in any of the street trading by-laws examined in this study.

This is not a trivial issue, as gender-specific language reflects a lack of understanding about the reality of the street trading sector. Women traders have particular concerns. A 'gender blind' approach is likely to lead to interventions that are inadequate for women, at best, and directly discriminate against them, at worst.

#### **4.2.2 Banning street traders from the streets at night**

The Cape Town and Durban by-laws ban traders from the streets at night (Clauses 3(b)(i) and 3(a)(i) respectively). Such clauses are problematic particularly for women. These cities have little affordable overnight accommodation. In Durban, this clause has recently been strictly enforced, and this has led to great hardship for a number of the poorest women traders.

#### **4.2.3 'Vicarious' responsibilities of those working for street traders**

Local authorities are concerned about who has authority over street traders' assistants, and call these 'vicarious responsibilities'. Employees of street traders or those assisting street traders with their business are generally the most disadvantaged and poorest grouping within this sector. They are predominantly women. The Pretoria and Durban by-laws have similar clauses concerning the vicarious responsibility of employees of street traders<sup>10</sup>. The clause states that if an employee of a street trader is guilty of an offence, the employer is liable unless 'he' is able to prove that the employee was acting without 'his' knowledge and that all reasonable steps were taken to prevent the offence. Both by-laws then go on to state that when an employer is liable for anything done or omitted by 'his' employee, then that employee will also be liable to prosecution.

These clauses specify the rights of the employer, but not the rights of the employee. The conditions under which an employee is *not* to be held liable for the action of an employer are not specified. It does not cater for a situation where an employee is instructed to act in a way that is a contravention of the by-laws. In such a case, as the legislation currently stands, it is likely that both the employer and employee will be prosecuted. If street trader employees' rights are to be protected, clauses such as these need to be reviewed.

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<sup>10</sup> The Pretoria version however refers to both employees of street traders and 'persons carrying on business', so extending the regulation to unpaid helpers like family members.

Very little is known about employer-employee relationships within the street trading sector. For appropriate legislation to be developed, this research gap needs to be addressed.

#### **4.2.4 Confiscation of goods**

Cities differ in procedures for confiscation of goods. Confiscation of goods is likely to have particularly significant implications for survivalist traders. Poorer traders frequently point out what a major setback this can be. A group of traders who operate from the taxi rank on top of Cape Town Station, for example, said that when their goods were confiscated it took them a long time to save enough money to build up their business to the same position again. In some cases this can be an insurmountable setback. Women, who are disproportionately represented at the poorer end of the sector, are likely to be negatively affected.

A trader should be entitled to be warned before his or her goods are to be confiscated. In none of the five big cities in this study are officials legally bound to give a warning. In Stilbaai (a small town in the Western Cape) and in a number of towns in the Eastern Cape, the by-laws state that before goods are confiscated, the official has to give the trader warning in writing. Also, the contents of the warning have to be verbally explained to the trader.

Another way in which by-laws differ is on the issue of who will carry the costs of the removal of goods. In the Johannesburg and East London by-laws, the trader is liable for costs incurred. In most other places, the city pays. Once again this could be an insurmountable set back for poorer women street traders.

#### **4.2.5 Declaring areas restricted or prohibited trading zones**

All five cities have declared some areas restricted or prohibited trading zones. The Businesses Act specifies the process by which trading can be limited in a particular area. The local authority has to demonstrate to provincial government that by declaring an area a restricted or prohibited trade zone a large number of street traders will not be put out of business. They also have to show that there was no better way of controlling trading. They have to publish a plan of their intentions, hold a public meeting and ask for written objections. Once objections have been considered by the council, a report about the above process is submitted to the provincial authority. The province considers whether this process has been satisfactorily carried out, and on this basis decides if the plans should be passed or not.

The size of areas declared restricted or prohibited is very important for traders. Certain cities have declared large areas restricted or prohibited trade zones. The areas that local governments choose to declare restricted or prohibited are often those used by many pedestrians and are therefore lucrative trading sites. The process of declaring an area a restricted or prohibited trade zone is open to bias. Given low levels of literacy,

formulating written objections is not easy for street traders. This may allow more better resourced and more articulate groupings such as property owners to dominate.

#### 4.2.6 Cost of sites

There is a widely held misconception that street traders do not pay rates and taxes. Street traders in many places pay for permits for trading space and this constitutes revenue to local government. Table 4 shows that amounts paid vary.

Table 4  
Monthly Permit Charges for Street Trading in  
Five South African Cities (Rands, 1998) <sup>11</sup>

City	Exact Area	Amount per month
Cape Town	Adderley Street	R125
	Mitchell's Plain	R100
Johannesburg	CBD	R100*
Pretoria	CBD	R75 inside Church St. Mall (the main street) otherwise R50
Durban	CBD	R30*
East London	CBD	R7

\* The amount suggested by council at the time of study.

If these amounts are calculated as a proportion of traders income this is a fairly high rate of taxation. In many cases the introduction of permits has not been accompanied by an improvement in the infrastructure provided for traders - shelter, tables, storage or toilet facilities. Further, in as far as a flat rate is charged, this is a regressive rating system - R30 for a poorer women survivalist trader may be 10% of income but 2% for someone who is earning R1500 a month.

In the focus group interviews women street traders said that they were willing to pay permit charges because this gave them security over their sites. Having a place to sell that they knew was theirs was prioritised. What the majority of traders feel about this issue, however, is not known. There is clearly a trade off. Demarcating sites and charging for them, although giving traders greater security, will inevitably lead to a reduction in the number of traders. Those traders operating at the margins - poorer traders and women traders - are likely to be particularly disadvantaged in the process.

#### 4.2.7 Appeals procedures

None of the by-laws of the five cities contain an appeals procedure. The assumption is therefore that if a street trader feels local government has acted unfairly, she or he has to take local government to court. Few traders have the time, capacity or resources to do this.

<sup>11</sup> The concentration on CBDs makes it likely that these figures reflect higher permit charges.

Once again there is an example of a better practice in the Eastern Cape. The by-laws in a number of its towns establish an appeals committee. A trader who feels wronged by any municipal decision is able to go to this committee. The committee consists of a maximum of five members, at least one of whom has to be from the street trading sector. There is thus a user-friendly system whereby conflict can be resolved.

Pat Horn, General Secretary of the Self Employed Women's Union, has pointed out that the advantage of an appeals procedure is that the council can aggressively implement the by-laws in the knowledge that there is a means to resolve conflict before it escalates.

Of all the sets of by-laws considered for this study this is the only example of a clause that is enabling rather than restrictive.

#### **4.2.8 Accessibility of the by-laws**

The South Africa Constitution states that municipal by-laws must be accessible to the public (South African Constitution, Section 162 (1)), the implication being that local governments are constitutionally obligated to inform affected parties about by-laws. Once the by-laws have been promulgated, it is important that street traders know and understand them. For example, the final clause of the Durban by-laws states 'in any prosecution of a street trader for a contravention of these by-laws, the accused shall be deemed to know the provisions of these by-laws and to know what the offence with which he is charged is a contravention thereof' (Clause 9). This shows that the process of information dissemination is serious and urgent in terms of protecting traders uncertain livelihoods.

Street trading by-laws in the form which they are gazetted tend to be very legalistic and wordy. Making them accessible is a challenge. In speaking to street traders about how to most effectively explain the new by-laws two issues became clear - it was important that information dissemination occurs in the first language of traders, and that it is not only in written form, but also verbally presented. It is ironic that in Durban, for example, where the majority of residents speak Zulu, laws are still promulgated only in English and Afrikaans, the two official languages of the former regime. In the East London Policy Dialogue the importance of explaining the logic behind the clauses was emphasised by traders themselves. They said that they would be far more willing and able to abide by rules that made sense to them. Johannesburg produced a booklet in which each by-law is explained in three languages and accompanied by a clear visual representation. These booklets were mass produced and handed out to traders all over Johannesburg. In other cities workshops have been held with street traders to inform them of the by-laws. Workshops conducted in consultation with street traders and their organisation leaders, are an effective means of explaining the content of by-laws and logic behind clauses. Street trader organisations could play a proactive role in organising such workshops and spreading information.

### 4.3 Pending changes

The Businesses Act of 1991 and 1993 forms the backbone of current legislation affecting street trading. In March 1995 the Businesses Act was devolved to a provincial level i.e. legislative responsibility for street trading became a provincial competence. The option to change the Businesses Act lies with each province.

In 1997 KwaZulu-Natal province released a Draft Businesses Bill. The draft, although similar to original piece of national legislation, contains a number of important differences. The most significant is that it gives local authorities much wider powers to restrict street trading to demarcated areas and to prohibit street traders 'where such business creates or is likely to create a public nuisance whether by reason of noise, obstruction, littering, odours or any other reason' (Clause 7.(1)(a)). These new powers would in effect mean that street trading once again becomes a local government responsibility. Local government would be able to prohibit street trading more or less entirely.

As already pointed out, there is a clear tendency for local authorities to have a reactive approach to street trading. Certain councillors and officials would support the removal of street traders. If the KwaZulu-Natal draft Businesses Bill were to be passed as is, there could be a complete reversal of the gains made for street traders in this province in the last few years. It is thus clear that the alteration of the Businesses Act at a provincial level may well impact very significantly on trading. Street traders and street trader organisations in all provinces need to track this debate, and participate in shaping it. In KwaZulu-Natal the draft Bill was circulated for comment. This is an example of the type of participation that is possible.

The National Government's Small Enterprise Promotion Agency, Ntiska, has conducted a comprehensive review of the regulatory environment that small businesses operate in. A key suggestion made by the task team concentrating on by-laws and regulations was that a set of national guidelines on street trading be prepared (Ntiska, 1999:57). This suggestion is important because the lobby to remove street traders is a powerful one. If there is a lot of discretionary power at the local level this lobby group may well dominate. Further, there is a national level commitment to the development of the SMME sector and the promotion of street trading as an economic activity. For this commitment to be followed through, there needs to be a set of national guidelines that informs all legislation on street trading.

## 5. Local government in transition

### 5.1 The extent and impact of government restructuring

The impact of different rounds of restructuring of local government was identified as a factor that shaped local government's actions in all five cities. The extent of the restructuring is indicated by the fact that the current Cape Metropolitan Area, for example, was an agglomeration of 68 formerly separate structures<sup>12</sup>. There is a similar pattern in other cities. Further, restructuring processes happened over a short period of time. For example, the Greater Johannesburg Metropolitan Area has gone from 13 administrations in 1993, to establish a Transitional Metropolitan Council and 7 transitional metropolitan substructures in 1994, and then in 1995 a rationalisation down to 4 metropolitan local councils. This entailed the deployment of 30 000 staff (Abrahams, 1998:69). One of the key findings of Abrahams study of Johannesburg is that:

Transformation has occurred at almost every level, creating paralysis, uncertainty and low productivity levels and motivation of staff (1998:85).

One Johannesburg official described how she had handed a number of street trading projects over to other metropolitan local councils (MLC) in the restructuring and none of them had been followed through. As a Cape Town official pointed out:

‘Restructuring has impacted on local government’s ability to deliver.’

This conclusion was echoed in other cities. The point will be made in Section 5.5 that in the metropolitan areas yet another round of restructuring is pending.

## 5.2 Institutional location of street trading responsibilities

An objective of this study was to assess whether the policy rhetoric about the importance of the informal economy to development has been accompanied by a realignment or a re-siting of decision making about street trading in the restructuring of local government. Where is responsibility for street trading located? Has this changed since the election? Has it made a difference to the profile of street trading in local government? Much can be learned about the priority given to an activity from where it is placed in the organisation of the bureaucracy. Two important outcomes of institutional location are the authority or status accruing from the location, and where it stands in the flow of communication processes.

Table 5  
Institutional Location of Street Trading Responsibilities

Pretoria Central council	Traffic Department
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<sup>12</sup> These 68 different structures are broken down as follows: 15 white local authorities, 5 black local authorities, a management board with local authority status, the Regional Services Council, 26 management committees and 10 local councils without full municipal status (Abrahams, 1998:106).

East London City Council	Planning Department (but soon to be Traffic Department responsibility.)
Johannesburg South Metro Local Council	Local Economic Development in the Urban Development Department
Durban South and North Central Council's	Department of Informal Trade and Small Business Opportunities (DITSBO)
Cape Town City Council	Informal Trade Management Unit (ITMU)

Street trading in South Africa was traditionally located in the traffic department of local government. Moving street trading responsibilities from the traffic department is essential if local authorities are to manage and develop the informal sector, rather than simply enforce by-laws. These are qualitatively different functions.

Table 5 shows that in some places street trading is still located in the traffic department. The assistant chief traffic officer in charge of street trading in Pretoria himself admitted:

‘The traffic department is a law enforcement department so is not the ideal location for street trading’.

Of all the cities, Pretoria’s approach to street trading is the least developmental. Relatively little space has been made available to traders and the treatment of traders is harsh.

In East London the regulation of street trading up to this point, has been fairly ineffective. Officials state that this is due to the provincial government not processing street traders by-laws fast enough. While the by-laws were being drafted the responsibility for street trading lay with the planning department. This is a temporary arrangement. When allocation of trading spaces is complete, this responsibility will shift to the traffic department. Not having an ‘institutional home’ is likely to have exacerbated the situation. Moving street trading responsibilities to the traffic department, where enforcing the by-laws is the main concern, appears to be a regressive move.

In Johannesburg, street trading is part of the SMME section of the local economic development department. This falls under the urban development directorate. Officials felt that they were well placed both to promote street trading as an economic activity and to ensure that trading is incorporated into longer term urban plans.

Informal trading has the greatest institutional status in Durban. Of the five cities in the study, Durban has secured the most funding for infrastructural development. The fact that there is a separate department for informal trading was identified as a contributing factor by interviewees.

The Informal Trade Management Unit (ITMU) in Cape Town, in contrast, being a unit, is further down the reporting hierarchy and therefore has less influence. At the time interviews were conducted in Cape Town, the ITMU did not fall under any one of the line functions of local government. The accountable officer was inappropriately, based in the committee secretariat, which provides information to councillors. He identified the unit's lack of institutional location as a significant problem and highlighted two issues. Firstly, because the unit did not fall under one line function there was no administrative support and this made tasks like co-ordinating different departments much more difficult. Secondly, there were implications for securing funding as funding was often allocated according to line functions. There was some debate about whether the appropriate line function would be planning and economic development, or municipal services. The choice will have implications for this city's future approach to trading as the former focuses more on development and the latter on management.

As mentioned before, in large cities, many different departments deal with street trading. According to local government officials, co-ordination problems often arise. When asked how best to achieve co-ordination, officials consistently said that it was important that there was one individual or preferably a whole department to drive the process. They also said that regular meetings were important.

Different departments have different attitudes to street trading. Cleansing departments, for example, are reputed to have a 'crime and grime' attitude to street trading. This again highlights the importance of a city-wide policy to provide guidance and let the new positive attitude to the informal economy permeate across all departments.

### **5.3 Management approach**

In both Durban and Cape Town the formation of DITSBO and the ITMU was identified by street traders and their organisational leaders as a turning point in the city's approach to street traders. This was because local government became accessible to traders. In the past the only local government employees that traders would come into contact with would be enforcement officers. If a trader had a problem or was wanting to organise a licence, for example, she or he would be sent from one department to the next. Now area managers are being introduced. There is one individual who traders know can assist them with a variety of issues. Area managers are allocated specific trading zones. They spend a lot of time on the streets, and speak the language of street traders. In the best cases area managers build sound relationships with traders.

In the Local Economic Department in the SMLC in Johannesburg is structured quite differently - on a project basis. The head of the department explained that a project has two components: infrastructure development (which facilitates economic development) and the introduction of an urban management system. Projects range in scale from just demarcating sites to complete urban upgrade i.e. putting in shelter, lighting etc.

She described the process as follows:

We start off by capturing all the stakeholders, broadly split into two groups - the formal sector (property owners and tenants) and the informal sector. The technical people are then brought in and we workshop various designs and concepts with both groups. From the outset we workshop a management structure. The council says we can not manage on our own - what we have to do is build relationships with the various groups in that area in order that they can self manage the project once council pulls out. The two groups get together and form a management committee. On the whole this system seems to have worked. However you need dedicated input on a voluntary basis.'

Dedicated voluntary work may be adequate as an interim strategy. However, basing ongoing programmes on this is unlikely to be sustainable. Poorer street traders, and poorer women street traders particularly, have little time to participate. It is likely that the formal sector, and the more economically powerful within the street trading sector, will dominate with the concerns of the more marginalised groupings being sidelined.

The fact that in the project approach local officials move from one trading site to the next makes them less accessible than is the case with the system of area managers.

#### **5.4 Appropriate front-line staff**

In the process of negotiating a national political settlement in the early 1990's the ANC made a number of key concessions. One of these was to place limits on the transformation of the public service, as the old white guard in the state bureaucracy were thought to have the potential to derail the negotiation process. The Constitution does not guarantee apartheid civil servants their jobs (despite many reports to the contrary), but the concession has meant that the transformation in the public sector has been 'excruciatingly slow' (Michie and Padayachee, 1998:11-12). These authors attribute this to the 'culture of compromise and reconciliation' that characterised the political negotiations. It has had implications for street trading.

Despite official commitment to affirmative action in the public service not only in terms of race but also gender, officials dealing with street trading, be they department heads, area managers or enforcement officers, are predominantly men. Further, most officials now working with traders were previously traffic officials or police officers. One official described how, in the 1980s, he was part of a team of 40 traffic officers who

'would go around with trucks and simply forcibly remove traders, confiscating their goods'.

It is not being suggested that simply because an official has been in the police service or traffic department, he or she is automatically unable to make the shift to a

developmental approach to street trading. In fact there are a number of examples to the contrary. Some, however, have not made the shift in approach that is needed. Although all officials working with street traders now speak of this sector in developmental terms, in certain cases the old style of operating is still apparent. One influential official explained how a group of traders had objected to the introduction of payments for sites. When asked how he had dealt with this, he said:

‘We just bulldozed them. You psyche the opposition, threaten traders with removal - this is a good army tactic - and then go in and talk.’

From a number of interviews it was clear that there were some misconceptions about the nature of this sector. Most officials referred to street traders as ‘he’. Some officials had little idea of the economic reality of poorer street traders. One official described the removal of a group of largely women traders who were selling crisps and cool drinks at the Cape Town taxi rank. He said he could not understand why, when the hawkers squad appeared, traders ran away leaving their goods behind. He explained that if they allowed the enforcement officers to take their details, they could come and claim their goods once they had paid their fine. The fines are from R200 upwards. Interviews were conducted with these very same traders. The average value of their goods, at the beginning of the day, is R50.

Another example comes from Pretoria. When cost of sites were being decided, the initial suggestion from officials was R400 a month. The official in charge said that he was still in favour of this amount but because of the ‘culture of non payment’ they had had to set it lower. He added they would increase this amount over time. Although statistics on street traders average income and profit are vague, it can be said with confidence that any trader operating at the poorer end of the sector would not be able to afford R400 a month. The ‘culture of non payment’ has the connotation of moral unworthiness, instead of a realistic assessment of what would be affordable.

Street traders need to be dealt with as economic actors. In one part of the Durban CBD there has been a significant upgrade of infrastructure. Traders were interviewed two weeks after they moved to their new sites. Although they were very grateful for the new facilities, they said that the economic consequences of moving had been very negative. They had not been told in advance when and where they were to be moved and they had therefore not been able to inform their regular customers. This demonstrates how officials do not view traders as having customer networks, like any other business people.

These examples are from Durban and Cape Town, where there are area managers who are in daily contact with traders, and yet these misconceptions still arise. One possible explanation is that street traders are viewed as a homogenous group. Inevitably the reality of the poorer and often women traders are disregarded.

As previously pointed out, officials from many different departments deal with street trading. In dialogues, as well as in interviews, the importance of conscientising officials about the economic benefits of trading was clear. In the policy dialogues street traders identified the traffic and cleansing department as needing to be particularly targeted.

Officials who speak of 'bulldozing' traders if they do not comply with regulations are unlikely ever to make the shift to a developmental approach. They impact negatively on the lives of street traders and are an obstacle to the development of the sector. Both officials and councillors identified 'old style' bureaucrats as blocking development. These types of officials are however in the minority. For the most part officials seemed to be genuinely engaging with their new developmental role. Restructuring, lack of resources, and lack of appropriate training for the new task were identified as substantial barriers.

An official in Johannesburg explained that working with street traders required specific and new skills - project managing skills, community development skills, proposal and report writing skills, conflict resolution skills and an understanding of the dynamics of small businesses.

'We simply do not have capacity. We need to be multi-skilled.'

The fact that officials as well as traders need capacity building and training was an issue picked up at the national policy dialogue. As one official pointed out:

'One of our key roles is being responsive to communities and organisations - this is something we are not used to doing.'

In both Cape Town and Johannesburg there was a complaint that there were insufficient posts allocated to street trading. Jane Prinsloo of the CMC Economic Directorate said:

'There is support across the board for the shift to developmental local government. The issue is not the mind set / approach. It is the fact that there are not enough people to carry out what needs to be done.'

A number of cities have a preference for employing people who had themselves been active in the informal trading sector. Although there are advantages in employing people who have a direct understanding of the sector, there may also be disadvantages. In Cape Town a high level official had strong links with one of the main street trader organisations. On a number of occasions he was accused of giving preference to members of this organisation. The allegations may have been unfounded, but structures do need to be put in place so as to ensure that the neutrality of local government can not be questioned. For example if an official is believed to have links to one organisation, he or she should not be responsible for allocating sites in the area where this association is most active.

Many interviewees emphasised the importance of having the 'right' person for the position of the highest ranking official responsible for trading. The tasks identified were as follows - securing funding for trading within council, co-ordination of different departments involved in trading, countering the negative impact of local government restructuring processes and envisaging innovative ways of developing the street trading sector.

## 5.5 Councillors

As already pointed out, councillors often demonstrate contradictory positions when it comes to street trading. A Johannesburg official dealing with street trading said:

'There is a fair amount of political support for informal trade infrastructural development etc., because it is a very visible way of council demonstrating that it is doing something. But only a minority of councillors approach this issue from a developmental perspective. With the elections, for example, there will be pressure from councillors for us to become firmer enforcement wise.'

A Cape Town official warned that the environment in which decisions are made is not consistent.

'The councillor who heads the informal trade standing committee now may well be supportive; however the person who replaces him may have the interests of the formal sector at heart.'

In both East London and Durban it was pointed out that, despite the change in government, local councillors often have a fairly conservative approach to street trading. A Durban official said:

'The views of councillors have not changed with the change of racial make-up of council. In fact in some cases they are more hard-line than their predecessors.'

Political support is vital. One official put this particularly strongly saying that nothing happens within informal trade without political approval. However officials, street traders organisation leaders and street traders frequently complained that councillors do not understand the issues.

There are differences between cities. In Cape Town the shift to developmental local government was identified as being particularly slow. An ANC councillor in Cape Town said:

'There are many councillors who feel that developmental local government is not good governance. They are not interested in process but in getting things done quickly and efficiently'.

Officials often felt that they bore the brunt of council decisions. Getting councillors to take visible responsibility for council decisions has been identified as important. A strategy identified in the East London policy dialogue was to get the councillors involved in the implementation of by-laws.

The relationship between councillors and officials is often difficult, with councillors distrusting officials. A Cape Town official said that because politicians come and go officials have to guide politicians, so that a degree of consistency is maintained:

'They have to use us as a reference point.'

## 5.6 The 'mega-city' debate

Political power in metropolitan areas is currently divided between a metropolitan council (top or umbrella structure) and a varying number of local councils (or substructures). The two levels have distinct roles and functions. The issue of centralising power to the metropolitan level, the so called 'mega-city' proposal, has been debated for many months. The central issue is how much power the umbrella structure has relative to the substructures. Those against centralising power point to a loss of democratic deepening. In other words, citizens learn to practise democracy through engagement with local level councillors and officials who can be held accountable for their actions. Those in favour of having more power at the higher level, say that there is insufficient capacity - both human and financial - to have metropolitan areas broken up into different councils, each with its own autonomy over urban policies.

In March 1998 the White Paper on Local Government came down in favour of greater centralisation. It proposes two options: metropolitan government with ward committees, and metropolitan government with metropolitan substructures. The difference between the two options lies in the amount of power the local tier has. In the first option little power remains at the substructure level - ward committees have no original powers or duties. In the second option the metropolitan council decentralises certain powers and functions to the metropolitan substructures including selected decision making powers (Republic of South Africa, 1998:66). Which of these two proposals will be opted for will be decided by provincial governments. That there will be greater centralisation is certain; the exact form of it, at this point in time, is still unclear. The new metropolitan structures will only come into effect after the year 2000.

The impact of the mega-city proposals on street trading responsibilities was a component of the interviews conducted with local government officials. Margaret Winter, chair of the Durban Metropolitan Council's Executive Committee, said that

despite initial reservations she was now completely in favour of centralisation on the basis of policy uniformity:

‘The system as it currently operates is not working. There are too many contradictions between different local councils.’

The White Paper on Local Government specifically addresses legal uniformity, stating that ‘statutory divisions between parts of the metropolitan community should be avoided’ (Republic of South Africa, 1998:63). This was a key advantage that the head of the Economic Development Committee in Cape Town identified:

‘The plan is good for consistency; we will be better able to co-ordinate policy’.

Street trading is currently a substructure responsibility in all the metropolitan areas included in the study. All officials interviewed felt that duplication of responsibilities was occurring. One official felt particularly strongly about this:

‘With each council being a legal entity it means that councils can come up with different policies, different by-laws. This is currently happening and appears to be about people - both officials and councillors - wanting to keep their power bases intact. This system is causing a lot of confusion on the streets.’

In terms of policy and legislation there are varying degrees of duplication of responsibilities. In Durban all six substructures have different sets of street trading by-laws and approaches. In Cape Town all the substructures in principle have different by-laws, but in practice the Cape Town City’s by-laws have been used as a model. There is one set of by-laws for the whole metropolitan area in Johannesburg and a metro-wide by-law enforcement team.

Metropolitan councils, although responsible for co-ordination of local council actions, currently have no power to enforce these decisions. A metropolitan employee in Durban said:

‘The metropolitan council is only in a position to suggest. Local councils have to be lobbied to adopt metropolitan positions. At this point in time they selectively adopt metropolitan positions - leaving out what does not suit them.’

This has been clearly demonstrated in the process of formulating a metro-wide street trading policy in Durban. The approach at metropolitan level is progressive but has been slowed by the complexity of formulating policy in association with six local councils. It would be to the advantage of street traders in Durban if the metropolitan council had the power to insist on co-operation from local councils.

Centralisation has financial implications. Not only are cities likely to save money on the basis of reducing the duplication of functions, but they will be able to redistribute financial resources more effectively. Street traders largely come from disadvantaged backgrounds and live in previously disadvantaged areas. If redistribution of resources is to be better facilitated by centralisation of power, then it is likely to impact on street traders in a positive way. In 1996/7 financial year, one Johannesburg substructure was R3 million in the black while another substructure R2.5 million in the red. If there are more centralised powers, cities will be in a better position to put sound financial mechanisms in place and cross subsidise.

The need to redistribute limited local government resources in favour of parts of cities and towns neglected by the former regime was a major focus of interviewees responses. Two councillors, in different cities, identified that one of the key advantages of having one authority was that priorities are decided on in one forum, and attention and resources are allocated accordingly.

Those who have argued against the mega-city proposal point to a very real loss of democratic deepening and this is likely to have implications for street traders. The mega-city proposal entails a dramatic reduction in the number of councillors. Marginalised groupings will have even less access to political actors than is currently the case. The voices of women street traders are thus less likely to be heard. To counter the reduced direct access that centralisation may bring, having accessible officials like area managers becomes all the more important.

## **5.7 Financial resource allocation to street trading issues**

To assess whether political commitment is being translated into budgetary allocation it is important that the budgetary process is transparent. An inter-city comparison of resource allocation to street trading in the five cities has proved impossible to do. There is little uniformity in the way budgets are formulated. Budlender (1999:34) points out that the National Department of Finance has only recently introduced a standard formula for drawing up local government budgets and that these will take years to implement. Assessing resource allocations is further complicated by the fact that allocations impacting on street traders are likely to be located in many different departments. A consultant working on street trading in Durban pointed out that departments responsible for infrastructure development need to be particularly considered. He referred to the departments of transport, the city engineers, and the departments of health.

The tendency towards project funding as part of new financial management practice also brings complications. In Durban, for example, the main transport node in the CBD, Warwick Junction, which is a high density trading area, is undergoing a major urban upgrade. A significant proportion of the money for this project will impact on street traders. This budget however is difficult to disaggregate. Only a proportion of

expenditure is for the exclusive use of traders like shelters. There are however new facilities like public toilets and pedestrian bridges that benefit street traders but are not solely for their use.

Finally local government officials are very reluctant to release information about figures. Budlender (1999:35) in the Women's Budget analysis of local government states:

'It seems that in the national and even provincial departments officials are increasingly accepting the need for transparency. This realisation does not seem to have filtered down to local government level.'

The constitutional call for more citizen participation in democratic local government will be simply rhetoric until there is uniformity in budget processes at local level, until the process is made transparent, and until interest groups such as street traders are shown how and at what points they can participate in the process.

What is clear is that Durban spends more money on street trader infrastructure than in any other city. Durban, however, is in a unique financial position. Kahn (1998:41), in his analysis of the Durban's financial status states:

'Relative to the rest of the country, the metropolitan council and the local councils have a potentially strong financial base...This is due to a history of sound financial policy, a sustained investment strategy dating back to the early 20th century and innovative financial engineering.'

Having money available is one issue, ensuring that it is directed to street trading is another. That street trading has been prioritised in financial allocations in Durban is due to a number of factors. Firstly, individual officials have been strategic about securing funding. Secondly, as previously pointed out, the existence of a department dedicated to street trading means the issue has institutional profile within the bureaucracy. Further officials from other cities felt that one of Durban's key advantages was a comparatively supportive political environment. Finally there has been sustained pressure from street trader organisations which, largely due to the presence of the Self Employed Women's Union (SEWU), are relatively strong in this city.

Dynamics within the bureaucracy being a determining factor in resource allocation was reiterated in Cape Town. The councillor who chairs the economic development committee stated that there had been insubstantial resource allocation to street trading. He pointed out that although the City was in debt there were funds that could be secured for these kinds of activities and gave the example of the community development fund. He stated that one of the main reasons that the albeit limited money that was available had not been spent on street trading, was that officials had been unstrategic in the process of lobbying for funds.

Officials across all cities identified financial constraints as a barrier to local government pro-actively developing the street trading sector. Many local authorities are in serious debt. In interviews the situation was portrayed to be particularly acute in Johannesburg. Since 1996 Johannesburg has been experiencing what has been described as a major financial crisis. Some regard this as a temporary cash flow problem, and others as bankruptcy. Every interviewee in Johannesburg raised this issue.

The person in charge of street trading in the South Metropolitan Local Council said:

‘At this point in time only our operational costs are covered - paying staff, faxing and photocopying. We get no money for projects - that has to be raised - applied for from funds within the council. A proposal is written, evaluated, short listed and, if successful, eventually the money comes through. This however is a very time consuming process. Of the last six proposals I have written only one has been approved.’

Further, there are many demands for relatively limited resources. As one official stated:

‘There is a political imperative to be seen to deliver infrastructure - houses, roads, water - to previously disadvantaged areas. In the process issues like street trading sometimes fall by the way side.’

Cape Town is in a different position from other cities, because, as the councillor who heads the committee on informal trade within Cape Town City Council said:

‘There is money to be made. If you have 500 traders all paying R125 a month, this would be a real boost to city coffers. The council has not capitalised on street trading.’

When it was pointed out that charging traders R125 a month is contradictory to the national governments policy objective of creating an enabling environment for entrepreneurs as this amount would be prohibitive for poorer traders, he responded:

‘The Council has to be committed, wherever possible, to cost recovery. This is, to an extent, contradictory to council’s new found developmental role.’

The councillor, in this statement, gives an indication of one of the dominant tensions in the South Africa policy environment - working within a neo-liberal framework while attempting to address apartheid created disparities.

## **6. Three trends in the management of street trading areas**

In the context of local government resource constraints and the focus on public-private sector partnerships, certain city governments have opted for outsourcing the

management of street trading. In parts of Cape Town and Johannesburg street traders management has been outsourced to street trader organisations and property owners respectively. In Johannesburg there are plans to set up companies - a form of PPP. All of these outsourcing arrangements have specific implications for poorer women.

### **6.1 Outsourcing street trading management to street trader organisations**

The management of trading in parts of Cape Town is outsourced to trader organisations. Women traders in a focus group said:

‘Our local authority is not the local council, it is the local street trader association.’

Traders pay site rentals directly to the association, rather than the local authority. For the associations, leasing a market area is often a very lucrative business in itself. The rates in structured markets in Cape Town CBD are high - from R15 to R40 a day. These are amounts that poorer traders cannot afford. The leaders of the associations are almost exclusively Muslim people. Black non-Muslim traders interviewed felt that because of this, they would never get a site.

The outsourcing of management functions is clearly the preferred option from the Cape Town Council’s perspective. Both councillors and officials said that local government had insufficient funds to manage trading. An official pointed out that associations could employ people to maintain trading areas more cheaply than the local authority could, as the latter had to adhere to labour legislation. The councillor chairing the Informal Trade Committee in the Cape Town City Council added:

‘The management of street trading is not a core function of the city.’

However, that there were problems within associations, is acknowledged by councillors and officials. One councillor admitted:

‘Money being paid directly to associations creates a fertile field for corruption.’

Area managers described how there were lots of accusations about misappropriation of funds and leaders granting themselves more trading sites than anybody else would be allowed.

Officials and street traders described a split between association leaders and traders. An interesting incident in the CBD of Mitchell’s Plain shows how serious this split can be. In a referendum with the traders operating in Mitchell’s Plain two options were put forward. The first proposed that the council sublease the land to the association, and the second proposed a permit system whereby the council would regulate the area more directly. Despite the council’s preference to the contrary, traders voted

unanimously for the second option. The area managers were amazed that the traders in Mitchell's Plain were unwilling to let the association manage the area, saying that this was an opportunity for the association to grow and make money. Traders clearly did not trust their own leadership.

The system as it currently operates is open to abuse. Cape Town markets are controlled by a small group of very powerful people. A local government employee said that the council insists that all associations have constitutions:

'They are supposed to be democratically organised. So in theory if traders are not happy they can vote the committee out.'

The problem is that a Black woman trader is unlikely to be able to become part of the association in the first place, and therefore will have no access to the benefits that associational membership can bring.

## 6.1 Outsourcing management of street trading to property owners

A significant proportion of Johannesburg Inner City street trading is in fact not managed by the local authority any more, but is outsourced to property owners or private sector companies.

Two parallel systems operate. The first is that land owners can apply for a side-walk lease whereby they can manage informal trade outside the buildings they own. They can put up their own structures for street traders. Anglo American Properties (Ampros) has applied for such leases for a number of their properties.

The second system is Business Improvement Districts or BIDs, based on the concept 'private sector driven, precinct based city management'. Property owners in a particular area form a private section 21 company responsible for the management of an area. These companies focus on three things: combating crime, waste management and informal trade management. This is a PPP: rates paid are higher and the council returns the excess to the company. In the Central Business Improvement District the local authority put up the capital for the building of structures for traders; about 100 structures were built in an area of 20 city blocks. The company is responsible for ongoing management costs.

Local officials felt that, from a management perspective, this system was working and there is a noticeable difference between private sector-managed and local authority-managed areas. The former are more orderly, there is stricter enforcement of by-laws so traders will be operating from demarcated sites. There are also more security guards to be seen. Crime levels are said to have declined in these areas.

At a political level there is a lot of support for BIDs. This is reflected by the unanimous passing of an Act at the end of 1998 that stated that if 51% of property owners in an area agreed to the BID concept, then the others would be forced to join.

The question for this study is what is the impact of these developments on street traders and particularly poorer street traders? When asked what checks the council had on management activities, the response was that the Businesses Act was still applicable to these areas so managers would not be able to remove traders from the streets. However, the side walk lease holder and the BID company, for example, decide on the price for trading sites. This could be one more subtle way of reducing numbers of traders, and the first to go would be the poorer traders.

In the case of BIDs the board of directors is drawn from those who financially contribute to the section 21 company i.e. only property owners. Therefore in the case of both the sidewalk lease and the BIDs, those controlling street trading management are usually principally opposed to street trading because they believe that these activities devalue their property. This is not to say that getting private sector partners involved in street

trading management is in itself a problematic concept. What is problematic is for local government to give over control entirely, without putting checks and balances in place to ensure traders concerns can be heard and responded to. This is particularly pertinent in the light of the conflicting interests between these two parties. Those who are likely to be disadvantaged most are the poorer traders.

By the end of 1998 BIDs were only operating in Johannesburg. It is an initiative to be watched closely as, according to one council official, Durban's property owners are looking to emulate Johannesburg's system.

### **6.3 Creating dedicated markets**

The Inner City Street Trading Management Strategy in Johannesburg is a new and unique form of PPP. The core concept is the establishment of markets for traders in currently disused buildings in the inner city. Companies will be formed to manage them. Thirty percent of the shares will be allocated to street traders and the remaining shares made available to other private sector actors. The exact nature of the council's role has not yet been clarified. It is likely that they will provide a proportion of the start up capital, as well as donate the properties.

Both council officials and the consultants involved in the project stated that, once the strategy has been implemented, trading will no longer take place on the streets in the project area. They acknowledged that strict policing would be necessary to stop new traders from occupying the vacated spaces. Some informants have pointed out that this in itself is likely to be very costly, and questioned whether the city would in fact be able to do this.

In considering costs and benefits of market trading compared to street trading, the economics of trading have to be carefully analysed. The overwhelming majority of street traders sell goods that their customers could buy more cheaply in supermarkets. A large proportion of traders in Johannesburg sell goods that customers would not go out of their way to purchase - small quantities of fresh produce, sweets, cigarettes etc. In many cases the only economic advantage street traders have over other distributors is location. The viability of their businesses is determined by the number of 'passing feet'. Unless there is a way of drawing customers into off-street markets, streets in CBDs will tend to have more 'passing feet' than markets.

This is not to argue that the Inner City Street Trading Management Strategy will not work. The issue for this study is that it is likely to be advantageous to better off traders who add value to goods, and disadvantageous to those traders operating at the poorer end of the sector who do not add much value to their goods. These traders are largely women.

In concluding this section on new trends in the management of street trading, there is one development with positive potential for poorer women street traders. The chair of the Informal Trading Committee explained that the city used to grant tenders simply to the lowest bidder but now applicants have to include an 'empowerment component' i.e. specify ways in which previously disadvantaged groupings will be incorporated.

'Tenders are now granted on the basis of a balance between empowerment and income to the city'.

The applicant submits a proposed management plan specifying how this is to happen. The city reserves the right to cancel the lease if the proposal is not satisfactorily implemented. The system has only been introduced recently and progress is thus difficult to assess. In principle however this is a positive development.

## **7. Local government's approach to foreign street traders**

Three local policy dialogues and one national one were held in four different cities. Traders and local government officials were invited to raise and debate their concerns. It was clear at all four events that the increase in the number of foreign traders operating on South African streets was an issue of acute importance. Traders expressed a lot of anxiety about increased competition. They frequently said that foreigners were better traders. They expressed resentment that finally, after apartheid, South African traders have got access to the streets, but this occurred at the same time as immigration controls were relaxed, and there was an influx of competent foreigner traders from other parts of Africa. The survey of CBD traders in Johannesburg showed that foreign traders are often better educated than their South African counterparts. There appear to be far more men than women and fears were expressed that foreigners 'steal our women'. Further, the impact of the current economic recession on trading fuels xenophobia.

There have been a number of violent attacks on foreign traders by South Africans and the situation is particularly acute in Johannesburg. According to both government sources and street traders, one organisation has incited these actions. A group of street traders explained how, in one of the anti-foreigner marches, a large proportion of the marchers were not traders at all. They also pointed out that certain traders, even those who were employed by foreigners, had only participated in the march because they feared intimidation.

The issue has to be understood in the context of globalisation and regionalisation. As described earlier in the paper, McCarthy and Bernstein (1998:22) argue that cities can no longer be seen in isolation as a local economy within a closed national economy. Cities in the global economy link flows of products and people between often distinct sources and destinations. One of the roles of city governments therefore is to manage

these flows (and not to try and stop them). In the simultaneous trend of regionalisation, the Southern African Development Community (SADC) is currently looking at freeing the movement of goods, services and people between its eleven members. South Africa is economically by far the strongest of the members. Globalisation and regionalisation mean that foreigners are here to stay.

There is an inconsistency between the broad trade policy in which foreign investment and exchange is positively encouraged, and trade policy that applies to SMMEs where foreign street traders are regarded as 'aliens' and are unable to get visas to trade. Research conducted by the South African Migration Project demonstrates that many foreign street traders are not immigrants, as is commonly perceived, but oscillating migrant workers returning home a number of times a year (Peberdy and Crush, 1998). In this study it was clear that traders contributed to South Africa's exports by taking goods out of South Africa to sell in the region and bought goods back with them to trade. Further, the particular group of traders in their sample, invested the majority of their profits in South Africa (Peberdy and Crush, 1998:2). Further foreign traders often employ South Africans, particularly women. Very little is known about the dynamics of these relationships and this is a key research gap. The economic contribution of foreign street traders is seldom publicised.

'Getting rid of foreigners' is one of the few issues that the formal sector, the informal sector and government appear to agree on. Local government officials recognise this to be difficult to achieve. Their response however is to give South African street traders preference wherever possible. The officials are sometimes pressured by councillors to do this, particularly in the allocation of sites. In East London, for example, being South African was heavily weighted in the allocation criteria. The town planner in charge of trading said that the council was aware that in many cases foreign traders were likely to employ the South Africans who were granted sites. In Johannesburg the allocation criteria are decided by traders. An official said that inevitably being South African was placed near the top of the list. In the cases where foreigners have been excluded South Africans simply hire out their sites to foreigners. Attempting to control foreign traders thus seems futile. What one official did point out however, was that if the site was in the South African's name it gave the South African more power in the relationship between employer and employee.

In Queenstown in the Eastern Cape there was a noticeably large proportion of foreign street traders. The person dealing with trading in the local council explained that there had been an influx of foreign traders just after the violent conflict in Johannesburg. There are similar reports from Pretoria. This seems to indicate that if foreign traders livelihoods are threatened in one area, they will move to another; their overall numbers will not decline. Another area for further research is the migratory patterns, within Southern Africa, of foreign traders.

Participants in the East London dialogue clearly stated that street traders need to be equipped with conflict resolution skills. In the light of potentially violent conflict between traders, the necessity of having formal channels whereby conflict can be resolved becomes all the more important. An effective means of establishing such would be within by-laws.

## 8. Conclusion

The potential conditions for street traders in South Africa have dramatically improved in the last decade; the actual conditions have improved for some. This investigation has showed that achievements have been uneven across the five cities studied. The following responses to the guidelines of the Bellagio Declaration which were cited at the beginning of the paper can be made.

What has progress been with **measures which would make street vending a special component of urban development by treating vendors as an integral part of the urban distribution system?** At the level of policy, this has been achieved in so far as the informal economy is recognised both as an integral part of local government's responsibility, and as an important part of the economic development policy. In respect of both governance and economic policy, however, the needs of survivalists, most of whom are women, are neither well understood nor well catered for.

SMME policy acknowledges that survivalists will need 'special mechanisms', different to the larger small enterprises which are the real target of the new support systems. But SMME policy is mute as to what these special mechanisms could be. It is implied that this is an issue for local government. Local government has only been introduced to the idea that it has responsibility for economic development in the last three years. Its dealings with street traders have until recently (and presently in some places) been harsh and reactionary. Despite progressive policy rhetoric, there is a real danger that the interests of poorer street traders will fall quietly through the gap between national level economic policy and local government policy and institutional development. A national set of guidelines on street trading would be the most effective way of ensuring that the national level commitment to the promotion of street trading is followed through.

South Africa's history of urban spatial development did not include space for street traders. It is a challenge to re-arrange certain central city areas. There are some interesting examples where this has been done - closing off certain streets to construct pedestrian walkways, the widening of pavements and the establishment of strategically placed market areas. There is room for more residential accommodation in the development of new spaces. If the private sector continues to play a larger part in the control of street trading, as described above, then it can be expected that they will concentrate on incorporating and negotiating with the more articulate, larger entrepreneurs who are mostly men. It is likely that women survivalists will be further marginalised through this process.

Has there been progress with **measures which would give legal status to vendors, through laws, licenses, and vending zones?** This paper has shown how street vending has been given legitimate status through national legislation, but that the strong national control over the legislation has been loosened, and provinces and local authorities are being given more autonomy.

In the absence of an overarching set of national guidelines, the danger exists that less confident and less resourced authorities will continue with, or revert to, punitive measures against traders.

Traders who have been issued licenses welcome the legitimacy that these should bring. Great anger is experienced when they are then still treated with disrespect, and without regard for their need to protect and customer base.

As far as progress with **measures which would enable access to secure space from which to work, and measures which would protect the right to seek secure livelihoods** are concerned, different cities have different regulations about site allocation, storage, and confiscation of goods. It is clear that the issuing of licenses - the act of being registered - is an important starting point from which to build security and a stable customer base. On a number of occasions traders recounted incidents where officials disregarded the new policy or rule, and street traders were ejected from sites without warning.

At present, it is difficult to make an assessment of progress on **measures which seek to increase the allocation of resources to street vendors.** A national initiative is underway which seeks to bring uniformity in financial and accounting procedures to the hundreds of local authorities. When this is done, they need to be made transparent to the public, so that track can be kept, for street traders, of resource allocations, in a similar way to the gendered analysis of budgets being done in the Women's Budget Initiative (Budlender, 1996). Street traders organisations would then be in a position to negotiate better. An issue that became apparent in the research was that institutional location of street trading responsibilities within local government was likely to impact on resource allocation to street trading. The more institutional profile the activity has, the more likely it is to secure resources.

What of progress with regard to **support services such as access to credit and to training?** Research has not yet been undertaken on how well the new support and training centres for SMMEs take the needs of survivalists into account, or understand the level at which survivalists are operating. It is likely that centres are being set up which have as their 'typical trader' a male, with prior experience in the labour market, and able to deal with formal financial institutions.

The research has showed that progress has been made, at the level of policy, in **measures which promote the participation of vendors in local governance**. All of the policy documents stress the importance of consultation and discussion; area managers have been appointed in some cities who help bridge the gap between the pavements and city hall. Both officials and traders feel frustrated by the lack of continuity in attendance at meetings, and the lack of regular meetings; meetings are usually called over a crisis event. One example was found where there is an appeal mechanism for dispute resolution. A more detailed investigation of alternative mechanisms for participation will be the subject of a further WIEGO report.

In terms of policy, street traders are on balance in a positive position. It however takes time to translate policy into action, and more particularly to re-frame old ways of thinking; to change the old apartheid mind-sets which see street traders as a nuisance to be controlled or swept out of the way. There is a window of opportunity, though, and street traders need to position themselves to take advantage of this. How traders organise, and the mechanisms which could be used to promote their position as serious and permanent economic actors in the urban environment, will be the subject of future reports of the WIEGO programme in South Africa.

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**Chart 1: South African surveys of urban street traders in the informal economy, 1990 onwards, used in this report**

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<b>Author and date of publication</b>	<b>Date field work</b>	<b>Location</b>	<b>Sector</b>	<b>Sample size</b>	<b>Methodology</b>
Bedford, 1995	1995	Greater Durban	all	245 women (SEWU members)	analysis of information on SEWU membership questionnaires
Bernstein and Gray, 1994	1993	Block AK, central Durban	all	unknown number, all women	interviews
CASE, 1995a, b and c	1994	Johannesburg CBD (with small subsamples in Randburg, Roodepoort and Sandton)	all	census: maximum 6893 stalls (48% of traders were women); interviews: 1100 traders (52% women)	census/ interviews
DRA	1997	Durban	all	census: 19865 ( 61% women); interviews: 550 (63% women)	census/ interviews
ERU/ BEES, 1997	1996	KwaZulu-Natal: metropolitan, small towns, and rural	all	650: 42% women	interviews, also interviewed support organisations
Fadane, 1998	? 1996	Warwick Avenue area	all	30 women	interviews

Hirschowitz and Orkin et al, 1994	1994	PWV, Western Cape, Northern Province	all	150 (gender unspecified)	interviews
James, 1998	1994-1997	KwaZulu-Natal	all (including home-based workers)	133 women (SEWU members)	analysis of information on SEWU membership questionnaires
Kasongo, 1996	1996	Greater Durban	fresh produce	26: 14 men, 12 women	interviews
Liedholm and McPherson, 1991	1990	Mamelodi and KwaZakhele townships, Gauteng	all (including home-based)	baseline: 5253 firms; 53% of workforce were women supplementary: 256 firms stokvel questionnaire: 1017 firms	interviews
Manning and Mashigo, 1993	1992	Western Cape, some in Durban and Johannesburg	clothing, manufacturing, metal working	55 enterprises in W. Cape; some in Durban and Joburg	interviews and mixed
May and Schachter, 1991	1990	8 different administrative areas throughout SA	all	620: no gender breakdown	interviews
Mbona, 1997	1997	Isipingo	all	420: 76% women	interviews
Mzimela, 1995	1995	Durban	herb dealers	20: 11 men, 9 women	interviews
Naidoo, 1993	1993	Warwick Avenue area	fresh produce	20 women	
Nair, 1996	1996	Durban beachfront	crafts and curios	20 women	interviews
Witt, 1997	current	Durban	vegetables	not applicable	mixed