



HEALTH ECONOMICS AND HIV/AIDS RESEARCH DIVISION

POLICY BRIEF

**THE VULNERABILITY OF WOMEN STREET
TRADERS TO HIV/AIDS:
LOCAL GOVERNMENT OPPORTUNITIES FOR ACTION**

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Introduction

This policy brief is based on the conclusions drawn from a comparative study of the vulnerability of women street traders to HIV/AIDS in Uganda and South Africa. The brief outlines the measures which can be taken by local government to create an enabling environment for the integration of gender-sensitive HIV/AIDS programmes within local economic development initiatives for the informal economy.

Background to the informal economy

- In both Uganda and South Africa the informal economy represents a growing economic sector and source of employment. In 2002, 28% of South Africans were involved in informal work¹. In Uganda, the 2002/3 National Household Survey reveals that around 35% of households operated informal non-crop enterprises². Over 50% of informal workers in Uganda are market and street vendors³.
- Street trading is one of the largest sectors of the informal economy. Figures for South Africa estimate that in 1998, over 20,000 traders in Durban generated a total annual revenue of R500 million in informal outlets, including street vendors, shebeens, spazas, tuckshops and private persons⁴.
- Women generally make up the majority of street traders. It is estimated that around 70% of street traders in South Africa are women⁵. Studies estimate that women represent over 50% of street traders operating in Kampala⁶.

Context for local government action

Policy makers have often reacted negatively to the informal economy, trying to discourage or contain it. However, given its scope, resilience and job creating potential some governments are recognising the need to manage and promote informal economic activities. In Uganda and South Africa local authorities are charged with this leadership and co-ordination role. Local government responsibilities include: providing services to communities in a sustainable manner; promoting social and economic development, and a safe and healthy environment; and encouraging the involvement of communities and community organisations in matters of local government⁷. For example, South Africa's White paper on Local Government defines this 'developmental' responsibility as:

'Local government 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'⁸.

Developing and implementing appropriate policies, laws and regulations which promote productivity and improve the working conditions of those employed informally are necessary as part of meeting this obligation.

However, in the majority of cases in Africa, the informal economy is associated with high levels of poverty and economic and social inequality. These factors translate to high rates of HIV/AIDS

¹ International Labour Organisation, (2002a), *Women and Men in the Informal Economy: A Statistical Picture*, International Labour Organisation, Geneva

² Uganda Bureau of Statistics, (2003), *Uganda Household Survey 2002/2003, Report on the Socio-Economic Survey*, Uganda Bureau of Statistics, Entebbe

³ Xaba, J, Horn, P, and S Motala (2002), *The Informal Sector in Sub-Saharan Africa*, International Labour Organisation, Geneva

⁴ Durban North Central and South Central Councils (2000), *Durban's Informal Economy Policy*, Durban, SA

⁵ Charmes, J., (2003), *Street Traders and their Associations in South Africa*, International Labour Office, Geneva

⁶ Ahikire, J., and Ampaire, C., (2003), *Vending in the City: A Gendered Perspective of Policy, Conditions and Organisational Capacity of Vendors in Kampala, Uganda*, Centre For Basic Research, Kampala

⁷ Republic of South Africa, (1996), Constitution of the Republic of South Africa, <http://www.gcis.gov.za>

⁸ Republic of South Africa, (1998), White Paper on Local Government. <http://www.local.gov.za>

transmission⁹. Recognising these dangers local government has a responsibility and an interest to improve the conditions of the informal economy as a means to reduce the vulnerability of workers and citizens to HIV/AIDS.

Local government, as the level of government closest to the people, is in the most appropriate place to implement HIV/AIDS policy at the community level. International agencies such as the United Nations and the World Bank have outlined local government's responsibility to include: minimising the personal and social impact of HIV/AIDS; challenging discrimination against people living with HIV/AIDS; and supporting the mobilisation of community responses to the epidemic¹⁰. This effectively means creating an enabling environment by co-ordinating, managing and supporting new and existing responses to HIV/AIDS.

Women in street trading and the legal context

Women street traders tend to be restricted by their lack of education, access to resources and bargaining power compared to men. Therefore they remain, often permanently, at the survivalist level. Their enterprises generate little income (often less than the minimum standard), and have limited capital input and potential for growth¹¹. Street trading environments also generally have poor occupational health and safety standards. Due to these poor conditions and their multiple responsibilities of domestic and productive work, women street traders face greater exposure to work-related risks including the heightened risk of ill-health. Health services are often inaccessible or unavailable in street trading environments, and women are generally restricted by the opportunity costs (lost earnings) of seeking treatment. Street traders are also excluded from the protection of labour legislation and are often unable to access formal social protection measures (for example, insurance, disability, maternity and unemployment benefits), which depend on a defined employment relationship¹².

The difficulties women face in street trading are often compounded by policy and legislation. In Uganda, over-regulation and criminalisation of street trading has severely restricted women's livelihood options, and compromised their personal security and safety. Oppressive bylaws have forced women into invisible, insecure locations where they are potentially exposed to violence, harassment and sexual exploitation¹³. In South Africa, some city level policies have de-regulated street trading, recognising its role in local economic development. However, local authorities still have the power to restrict trading through bylaws, which have had negative implications for women. For instance, in Durban de-regulation has not benefited men and women equally. Men, who generally have a larger resource base and more economic power, have been able to consolidate the benefits of increased access to markets, and improvements in infrastructure, facilities and services at the expense of more marginalised traders, who are predominantly women¹⁴. These institutional, social and economic factors re-enforce the situation of poverty and gender inequality, which creates a foundation for the spread of HIV/AIDS.

The vulnerability of women street traders to HIV/AIDS

Women are physiologically more susceptible to HIV infection than men. Approximately 55% of adults living with HIV in Uganda and 57% in South Africa are women¹⁵. While there is no research which links women's work in the informal economy with HIV infection, there are some

⁹ Walker, L, and Gilbert, L, (2002), HIV/AIDS: South African Women at Risk, *African Journal of AIDS Research*, Vol. 1, No. 1, p75-85

¹⁰ World Bank, (2003), *Local Government Responses to HIV/AIDS: A Handbook*, The World Bank, Washington

¹¹ Lund, F., (1998), *Women Street Traders in South Africa: A Synthesis of Selected Research Findings*, CSDS Research Report No. 15, School of Development Studies, University of Natal, Durban.

¹² Chen, M, Jhabvala, R, and Lund, F, (2001), 'Supporting Workers in the Informal Economy: A Policy Framework', ILO taskforce on the Informal Economy, ILO, Geneva

¹³ Ahikire and Ampaire, (2003) *ibid*.

¹⁴ Khosa, M., (1998), *LED in the Durban Metropolitan Area: Informal Trading in Warwick Avenue*.

<http://www.local.gov.za/dcd/ledsummary/durban>

¹⁵ UNAIDS, (2002), Report on the Global HIV/AIDS Epidemic, UNAIDS, Geneva

studies which show that women street traders are a particularly vulnerable group. For example, studies in Uganda have found that young women, living and working in urban trading areas and making low incomes are at far higher than average risk of infection. Prevalence rates in these trading centres are approximately 30% compared to a national average of 5%¹⁶.

However, risk is also governed by a range of social factors, which are influenced by women's insecure and marginalised economic positions. For instance, gender inequality and women's impoverishment may force women traders to remain dependent upon men for economic security which limits their control over protection measures and their ability to leave potentially high-risk relationships. Furthermore, women's financial dependency coupled with their precarious working locations such as at truck stops, in trading towns and working after dark, may influence their involvement in 'paid' relationships with transient men.

HIV/AIDS also has a profound impact on women, their enterprises and households. The additional financial and physical burden of HIV/AIDS can cause the collapse of women's low-level enterprises and further undermine the economic and social stability of their households. AIDS has often resulted in the loss of the main income earner and an increase in dependents, and it has been this long-term burden which drives women traders into chronic poverty¹⁷.

Key problems and issues for consideration

Listed here are the key areas where policy approaches to the informal economy have marginalised women and heightened their vulnerability to HIV infection and the impacts of the epidemic:

- Lack of access to markets, within a safe, secure trading environment;
- Lack of knowledge of legal rights and inaccessible procedures to register businesses and acquire permits to trade legally;
- Lack of access to vocational skills training, education, information and business support measures to move beyond survivalist activity;
- Lack of access to credit and finance services and availability of products which are appropriate for survivalist entrepreneurs;
- Inappropriate bylaws and regulatory mechanisms, which impact particularly negatively on marginalised traders;
- Lack of access to social protection measures (insurance for loss of income, assets, death, disability, health insurance etc);
- Lack of access to affordable health services and health education;
- Lack of clear communication channels with informal workers unions and limited attention to building the capacity of these organisations.

Opportunities for local government action

These problems can also be seen as key opportunities for local government intervention. This section provides details of some of the most crucial issues for local authorities to consider in creating an enabling environment to improve the social and economic security of women street traders and hence reduce their vulnerability to HIV infection.

1. Integrating gender concerns and addressing poverty through informal employment

Both Uganda and South Africa have ratified the Convention on the Elimination of all forms of Discrimination Against Women (CEDAW). As signatories of CEDAW states are committed to undertake a number of measures to ensure women's equal access to, and equal opportunities in, for example, education, health and employment. CEDAW specifically states that governments should

¹⁶ Kirunga, C, and Ntozi, J, (1997), Socio-economic Determinants of HIV Serostatus: a Study of Rakai District, Uganda, *Health Transition Review*, Vol. 7, pp175-188

¹⁷ Bachman, M, and Booyesen, F, (2003), Health and Economic Impact of HIV/AIDS on South African Households: a Cohort Study, *BMC Public Health*, Vol. 3, No.14

eliminate discrimination against women in employment by ensuring equal employment opportunities, remuneration, training and social security¹⁸. However, there has been little evidence that these commitments have been translated into policy to safeguard women working informally.

The governments of Uganda and South Africa have also pledged their commitment to meet the Millennium Development Goals, which include specific targets to reduce by half the proportion of people whose income is less than one dollar a day, and to stop and reverse the spread of HIV/AIDS by 2015¹⁹. The vast majority of the working poor engaged in informal employment earn less than one dollar a day, and their incomes support large numbers of people who live below the poverty line. National poverty alleviation programmes are unlikely to work unless they address the low level and security of incomes and the specific needs, constraints and vulnerability of those who work informally, particularly women. Furthermore, because poverty and gender inequality are profoundly linked to HIV/AIDS, policies which seek to alleviate these factors among the working poor are needed for governments to meet their international obligation to fighting the epidemic.

2. Access to markets and allocated trading sites

In order to heighten women's economic, social and personal security in informal trade settings they require access to secure, allocated trading sites in properly planned and managed markets, where they can trade legally. In some metropolitan areas in South Africa, programmes have been implemented to improve infrastructure, facilities and general working conditions for street traders. However, these policies have not directly benefited women, who are marginalised by their weaker networks, lack of economic power and business skills compared to men.

The South African Department of Trade and Industry's (DTI) White Paper on National Strategy for the Development and Promotion of Small Business specifically states that 'special attention must be given to the planning and physical infrastructure needs of women entrepreneurs'²⁰. CEDAW also states that women and men should have equal rights to protection of health and safety at work and mentions the importance of a network of child-care facilities in work settings. In addition to improving working conditions and levels of security, local authorities should also consider developing effective and equitable site allocation procedures; simplifying bureaucratic procedures to make it easier to gain permits to trade and improving women's knowledge of their legal rights.

3. Provision of vocational training and information

Women's enterprises require business support measures such as vocational, technical and business skills training, as well as literacy and entrepreneurial awareness. CEDAW states that women should have equal 'rights to receive vocational training and retraining, including apprenticeships'²¹. Training programmes at the survivalist level are often *ad hoc* with little recognition of the specific needs of, and the constraints placed upon women. Furthermore, there is a relative lack of awareness among women survivalists of the existence of training programmes.

To improve the quality and outreach of training programmes for women in the survivalist sector it is important for local government to improve communication with trader organisations to understand women's specific training needs. Training should be sector-specific so that training programmes remain relevant, effective and address practical problems of survivalist enterprises. These programmes can also provide a means to integrate HIV/AIDS education and awareness

¹⁸ The Convention on the Elimination of all forms of Discrimination Against Women (1979) visit <http://www.un.org/womenwatch/daw/cedaw>

¹⁹ For further details on the Millennium Development Goals visit <http://www.un.org/millenniumgoals/>

²⁰ Republic of South Africa (1995), *White Paper on National Strategy for the Development and Promotion of Small Business in South Africa*, Cape Town

²¹ CEDAW, (1979), Article 11c, *ibid*.

programmes for street traders. Again, it is important to recognise the time constraints and multiple responsibilities of women and to observe that survivalist entrepreneurs may lack basic literacy.

4. Access to micro-finance products

One of the most crucial needs among survivalist and micro-enterprises is access to affordable and reliable forms of micro-credit and savings facilities. There are a number of micro-finance institutions which include financial products for low-level entrepreneurs, and they have generally achieved success in improving women's income and livelihood security. However, most micro-finance products target larger SMMEs, which are generally run by men. Financial products are often inappropriate for survivalist entrepreneurs and only reach a small proportion of women street traders.

CEDAW stipulates that measures should be taken to ensure that women have equal access to bank loans and other forms of financial credit. Many African governments and development agencies recognise the problems women have in accessing financial products and advocate for strengthening the links between small enterprises and existing and evolving micro-finance institutions. This includes governments providing subsidies to NGOs which lend specifically to survivalist informal sector enterprises. Local government could consider implementing research to investigate forms of micro-finance and systems of delivery which would benefit survivalist enterprises specifically, and explore the sustainability and viability of these schemes in the context of HIV/AIDS.

5. Review of current legislation

It is important that women working informally are able to pursue their economic activities without fear of arrest, prosecution or confiscation of goods. Women are often forced to trade at night, in dangerous areas under the constant threat of crime and violence, because of bylaws which are often inappropriate and not in accordance with local economic development policy. In South Africa for example, The Business Act of 1991 legalised street trading and encouraged the advancement of women in all business sectors. However, powers to restrict or prohibit trading in some areas were given back to city councils in 1993. This has resulted in a number of bylaws being implemented to prevent street traders obstructing traffic; ensure sites are kept clean and prevent traders from sleeping on the streets. Although reasonable in intent, these bylaws ignore the specific consequences for women, causing further marginalisation and increased potential for harassment. In Uganda, a series of punitive laws are in place, many of which are contradictory to the 1997 Local Government Act. This suggests the need for a review of existing bylaws, so that they are reasonable regulatory mechanisms given the marginalised position of women traders. Local authorities should consider the gendered impact of such legislation and work in collaboration and consultation with informal workers unions to make amendments to existing bylaws.

6. Access to social protection

There is general consensus that the extension of social protection measures (including a combination of social assistance and insurance measures) to workers in the informal economy is crucial, especially for women. Some of the most important social protection products for informal workers include health insurance and health care, asset, life and disability insurance. CEDAW clearly stipulates that States should 'take measures to ensure women have rights to social security....in cases of retirement, unemployment, sickness...and other incapacity to work'²². However, in many cases an extension of these measures to informal entrepreneurs by governments is generally financially and administratively unsustainable. Nonetheless, the state could play a role

²² CEDAW (1979), Article 11e, *ibid*.

in approaches which are implemented by non-governmental and community-based organisations, which require some level of government support. Local authorities should consider providing technical assistance, legal and administrative advice and funding to these schemes. Local government's should also consider how to make women aware of their rights to state social assistance, such as child maintenance grants, where they are available, and provide practical assistance to women to attain them.

7. Access to health services and care

Access to health services and health education for women plays a direct role in reducing their vulnerability to HIV/AIDS. In most countries local government authorities have the responsibility to provide health services to citizens. CEDAW makes mention of the importance of access to educational information to ensure the health and well-being of families and stipulates equal access to health care including maternity services and family planning. Local government could consider how to improve access to health care for women street traders through improving the capacity of existing facilities or contracting certain functions to external service providers such as non-governmental organisations. This has been successfully achieved with externally provided voluntary counselling and testing services at informal trading sites in Durban.

8. Social dialogue with civil society organisations (CSOs)

Organising for women in the informal economy is crucial²³. Women require organisations in order to voice their collective concerns to local authorities and ensure that policy is oriented towards improving the conditions of work for women traders. However, frequently the development of organisations is suppressed by local government authorities. This is in direct contradiction of the International Labour Organisation (ILO) 'Right to Organise and Collective Bargaining Convention (1949), which has been ratified by both countries.

Despite a commitment to 'developmental' local government, which encourages the participation of community groups in social and economic development, channels for effective communication and negotiation are rarely well-maintained and consultation appears to be on an *ad hoc* basis. Local government should consider how to build the capacity of these organisations through providing technical and legal advice and information and where possible allocating funding. Where these organisations do exist, they are often institutionally and financially weak. However, with adequate support in their partnerships with local government, these civil society organisations can play a crucial role in a co-ordinated local-level response to HIV/AIDS among street traders.

There are some important issues which CSOs should consider in their collaboration with government to reduce women's vulnerability. For instance, they must also play their part in maintaining sustainable channels for effective communication with local government and ensure that local government service providers offer effective training, support and services which reach marginalised traders. They can also play a role in assisting women street traders to access micro-finance and insurance services and assist research into appropriate financial products for survivalist and micro-entrepreneurs. With specific reference to HIV/AIDS, these organisations could consider how to integrate HIV/AIDS peer education, training, awareness raising and prevention programmes for women street traders within other union activities.

Conclusion

The informal economy is a permanent and growing feature of the economic landscape of developing countries. It makes a crucial contribution to economic growth and employment and should be fostered and encouraged as a significant component of local economic development. However, the informal economy is also linked to poverty and social and economic inequality, which exacerbate the conditions for the transmission of HIV/AIDS. The current policy and

²³ See Lund, F and Skinner, C, (1999) *Promoting the Interests of Women in the Informal Economy: An Analysis of Street Trader Organisations in South Africa*, CSDS Research Report 19, University of Natal, Durban

legislative framework surrounding street trading perpetuates these conditions, having a particularly negative impact on women. These institutional frameworks need to change both to achieve greater efficiency and productivity, as well as equity within the informal economy in order to create an enabling environment to reduce poverty and prevent HIV transmission.