Ordering the Disorderly: Public Perception on Re-Settlement of Street Vendors in Colombo

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Abstract

Informal sector plays a key role in shaping the urban economy in many developing countries. It absorbs almost all the excess and sometimes unskilled labor in the events where governments are not in a position to provide adequate employment for them. It is also the main livelihood for urban poor. Besides these many positive factors, the existence of the informal sector activities in the cities makes the way for generating several issues in terms of urban environment and urban planning. The most visible outcome of the urban informal sector is the street vending which spreads haphazardly if not regularized or establish them in planned locations. The city administrators therefore are compelled to find ways and means to regularize and recognize them in urban planning and urban development programs. Unless otherwise objectives of those development projects cannot be fully realized. The development program for Colombo which is the commercial capital of Sri Lanka similarly made provisions to regularize the informal street vending in the city by providing space tem in planned locations as a solution to the issues outlined above. This research was focused to evaluate such regularization project implemented in the core area of Colombo –Pettah. The evaluation was carried out to ascertain the public perception on the street vendors and re-location program. The overall finding of the research indicated that public have a positive image towards the street vendors and they are in favor of the re-location program.

Key Words- Informal Sector, Regularization, Public Perception

Introduction

A city in the modern era implies a place of complex physical structure intermingled with multifarious social and economic functions. After the Industrial Revolution the cities in the world emerged and grown in a different manner. The large metropolis and primate cities all over the world are the consequences of accelerated urbanization process. The transfer of economy from agrarian to modern industrial sector has brought into the existence of a new occupational structure in those so called modern cities. This occupational structure is not only consisted with production and manufacturing but also with an array of other ancillary services coupled with trade, personal services, financial and professional services, transport etc.

The occupational structure in the cities of developing countries is heavily dominated by the labor force engaged in tertiary sector activities. The rationale for this situation is the inconsistency of urbanization and urban growth which is called "over urbanization" in the literature of the subject. The precarious economic base makes the way for dual economy to function in those cities by segregating the urban labor into formal and informal sector.

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The gradual evolution of the informal sector in those countries is due to various social, economic as well as environmental reasons. The inability to provide adequate employment in the formal sector, poverty and excessive rural-urban migration, poverty in cities, social or ethnic conflicts in rural areas, natural disasters are some of the prominent reasons for the development of informal sector in cities.

Sri Lanka is not an exception for the existence of informal sector both in the rural and urban economy. It is strongly linked with the poverty situation in the country as well. The urban informal sector constitutes a significant portion of many cities and towns in Sri Lanka with a dominance of Colombo which is the commercial capital as well as the primate city of the country. Recently the government has taken a keen interest to plan and develop Colombo in par with the standards and qualities that prevail in the cities of developed countries which will give Colombo an identity in the global context. The pioneering institution bearing this responsibility is the Urban Development Authority (UDA) under the Ministry of Defense and Urban Development. The UDA has formulated many urban development programs some of which are joint ventures with foreign developers for the development of Colombo. The regularization of street vending in the city similarly received the attention of the UDA. The street vendors haphazardly scattered all over the city were regularized by providing them with nearby place with essential services and properly constructed structures to carry out their activities more conveniently for both sellers and customers. Pettah area is the commercial hub of Colombo where majority of the informal street vending activities are concentrated. (Pl ref. Map. 01) The UDA has regularized these street vendors by providing them with an alternative accommodation with basic facilities close proximity to the places of former street vending. As such 550 numbers of shopping units have been constructed at a road called "Bodhiraja Mawatha" located close to the Central Bus stand and given to the vendors by the Urban Development Authority.

The focus of this research is to evaluate this project from the public perception point of view. The objectives of this research are therefore:

a. To evaluate the re-location of street vendors from the public perception point of view
b. To ascertain the perception of public on street vendors and
c. To study the customer relationship between the public and street vendors.

A questionnaire survey was carried out to collect the data to measure respondent's attitudes by asking the extent to which they agree or disagree with a particular statement relating to the perception/attitudes towards street vendors and re-location of street vendors. It was found that the majority of the respondents have the positive attitudes towards the street vendors and also on the regularization of street vendors.

Related Literature

Defining Informal Sector

As per (Yadav,2009*)* the term " informal sector" came into the attention of international community in 1972 when it was defined in the International Labour Organization's (ILO) Report of a Comprehensive Employment Mission to Kenya as "a way of doing things" characterized by various factors such as "small scale, low resource base and entry barriers, family ownership, labor intensive methods of production and adapted technology, skills acquired outside the formal sector and unregulated and competitive markets"

The ILO definition is based on a series of studies that focused on the problems of employment in the urban areas of developing countries. As stated earlier the ILO Mission to Kenya was important in formulating the concept of the informal sector. Thus the ILO specified a set of characteristics of informal enterprises.
These were:

a. Small scale of operation;
b. Family ownership;
c. Reliance on indigenous resources;
d. Labor intensive activity, technology adapted to local
e. Conditions;
f. Skills acquired outside the formal school system;
g. Ease of entry into the activity; and
h. Operation in unregulated, competitive markets.

Informal sector activities are largely ignored, rarely supported, often regulated and sometimes actively discouraged by the Government (Swaminathan 1991, Bangasser 2000).

As quoted by Gërxhani **"**Keith Hart (1971, 1973), a social anthropologist, was the first one to bring the term 'informal sector' (in a Third World context) into the academic literature. He introduced the concept of the 'informal sector' as a part of the urban labor force, which takes place outside of the formal labor market. Hart considered the 'informal sector' as almost synonymous for the categories of small self-employed. In addition, Hart distinguished formal and informal income opportunities on the basis of whether the activity entailed wage or self employment, implying that wage-earning employment is a characteristic of the formal sector only".

(Yadav,2009) further stated that it was only in January 1993 during the 15th International Conference of Labour Statisticians (ICLS) that the informal sector has been defined in a proper way based on production units, both in conceptual and statistical terms. This definition however is not a complete deviation from the original definition made in the year 1972. But there were some added recommendations from the UN Expert Group on Informal Sector Statistics (called the Delhi Group).

As per the 15th ICLS definition the following aspects were considered in defining the informal sector.
These were:

a. informal sector enterprises as those which are not only unincorporated entities without separate complete accounts but are also units of production with specific characteristics such as operating in small scales, using obsolete technology with low level of organization, etc.

b. Moreover, it recognizes unincorporated enterprises from the household sector with at least some market production as falling under the ambit of the informal sector.

c. The definition makes a point to distinguish informal sector activities from other aspects of the non-observed economy such as underground and illegal production as well as household production solely for own consumption purposes.

d. In addition, it also avoids the use of the formal informal dichotomy. Nevertheless, to facilitate international acceptance, the definition is kept rather broad and allows for flexibility in many areas such as the enterprise size threshold, the inclusion/exclusion of paid domestic workers and agricultural sector activities in the informal sector, among others.

e. Street vending and hawking activities account for a large portion of informality and provisions for their inclusion are made depending on their consistency with defined criteria (Yadav,2009).

Importance of the Informal Sector in Developing Countries

The informal sector plays an important productive role in the urban economy of less developed or developing countries. This sector provides a wide variety of services and goods to the people which ranges from petty traders, street vendors, collies and porters, small artisans, messengers barbers, shoe shine boys, mechanics, personal servants etc. The informal economy contributes significantly to production, consumption, employment and income generation in developing countries. It is a source of livelihood to a majority of the poor. According to the World Bank estimates, the informal economy accounts for 40 percent of Gross National Product (GNP) of low-income countries. In addition, there are important backward and forward linkages between formal and informal sector activities, particularly in developing countries (Yadav, 2009).

The opportunities available for employment in the formal sector both in the private and the government sector is rather limited in the developing countries. This has created two situations where high rate of unemployment or large percentage of the labor force is in the informal sector. As per the International Institute for Labour Studies (IILS) 2012 unemployment has been particularly prevalent among vulnerable groups, like youth (aged 15-24). However it is stated that in the majority of the developing economies there is a decline in both long-term unemployment rates and inactivity rates. The IILS further stated that this could be seen as a result of labor moving into informal employment to secure access to an income, because of the absence of unemployment benefits in these economies. Informal employment provides a refuge for the underemployed and also presents possibilities for raising families out of poverty (International Institute for Labour Studies - IILS 2012).

In Sri Lanka, underemployment has declined by 2.1% between 2006 and 2010 (Ministry of Finance and Planning, 2011).As per the International Labour organization (ILO) statistics there is no significant change in the informal employment in the non-agricultural sector before and after the global economic crisis occurred in the year 2008. Employment rates have been increased after the crisis. National poverty rates also have been decreased between pre-crisis and crisis periods in Sri Lanka (International Institute for Labour Studies - IILS 2012).

An estimated 86 – 95 % of employment is informal in all South Asian countries except Maldives and Sri Lanka, and 71-81% non-agricultural employment is informal in all countries except Maldives, Sri Lanka and Bhutan. Self-employment persons constitute a large portion of the informal employment. In Sri Lanka, for instance, self-employed persons accounted for 43 % and the informal sector accounted for 62 % of the work force (Kelegama, 2012).

The study on the informal sector also draws attention to the condition of women workers. A large number of women workers are employed in the informal sector and they constitute a significant proportion of all women workers (Swaminathan, 1991).

Advantages and Disadvantages of the Informal Sector

Even though the high percentage of labor force engaged in the informal sector in a country indicates the low levels of economic development and its instability of that particular country, the benefits or advantages of the existence of informal sector in a country cannot be neglected or undermined. As discussed in the next section the vitality of the informal sector in developing countries is immense. The advantages of the existence of informal sector sometimes outweigh its disadvantages.

The advantages and disadvantages are discussed in brief as follows.

Advantages

a) Economic

i. Informal sector activities may help in maintaining the competitiveness and flexibility of production.
ii. The informal sector activities/enterprises may bring growth if supported and encouraged.
iii. This sector puts downward pressure on wages in the formal labor market.
iv. It offers lower prices for goods and services.
v. It generates substantial personal income.
vi. The informal sector is characterized by very low costs of labor.
vii. The low labor costs combined with the advantage of not bearing any bureaucratic cost are thought to contribute to a higher productivity of capital in this sector.
viii. The evidence from some transition countries indicates that the particularly large decline of the official Gross Domestic Product (GDP) that these countries experienced (especially in the beginning) was alleviated through rapid growth of the informal sector.

b) Social

i. Informal sector activities provide families with employment, enables them to meet their basic needs, and increase their well-being.
ii. It offers freedom and opportunities for initiative and creativity.
iii. It is a better alternative, even though poorly paid and unprotected, than being dependent on state benefits, or starving.

c) Political

i. The existence of the informal sector can be used as a safety valve for public dissatisfaction and social tensions.
ii. Informal sector activities are often tolerated or even encouraged as a way to promote political patronage.

Disadvantages

a) Economic

i. In spite of various advantages, no development strategy and growth is expected from the informal sector.
ii. The informal sector causes distortions in some main economic indicators such as the unemployment rate, inflation rate and growth rate.
iii. The operation of informal sector activities (tax evasion) causes financial losses in the State revenues and, ceteris paribus, generates budget deficits. Therefore, it will cause a further increase in the tax rates.

iv. Its existence induces an unfair competition for those involved in the national and international formal sector.
v. If the informal sector is quite widespread in a country, it may increase the technological gap between this country and the other industrialized ones.
vi. Work in the informal sector is often characterized by low productivity and low incomes.
vii. The informal sector is negatively related to the provision of public goods due to the falling State revenues.

b) Social

i. Participants of the informal sector are worse off than those of the formal sector regarding their working conditions and because of the exclusion from any social benefit and security.
ii. Citizens will be provided with false information due to the incorrect measurement of Gross national Product (GNP).
iii. Unemployment rate can be overstated because the individuals involved in the informal sector activities might be counted as part of the labor force, but unemployed.
iv. Inflation rate is overstated as prices in the informal sector are thought to grow at a lower rate than in the formal sector.
v. The real economic growth rate will be distorted due to the exclusion of the informal sector in measuring the GNP.
vi. Participants in the informal sector have an unfair advantage (no taxes or social security contributions) compared to participants in the formal sector.

c) Political

i. Due to the fact that informal economic activities are often not included in measuring the GNP, the available statistics will provide a misleading view of the state of the economy to policy-makers.
ii. Their operation will increase corruption and political lobbying with negative consequences (Gërxhani, 2004).

Informal Sector in Sri Lanka

Sri Lanka has now reached to a decisive stage its development history. On the one hand a successful end of civil war existed for three decades has brought hopes of peace and stability. On the other hand the country has gained middle income status creating expectations of higher levels of living. Sri Lanka has since doubled its per capita income from US$ 1062 in 2004 to US$ 2,014 in 2008, increasing to US$ 2054 in 2009, US$ 2399 in 2010 and US$ 2836 in 2011. The Global Competitiveness Index 2011, prepared by the World Economic Forum, provides a more favorable picture for national competitiveness, ranking Sri Lanka 52 of 142 countries, placing it above India and the Philippines, but still behind the countries such as Indonesia and Thailand (World Bank, 2012).

Sri Lanka's Country Vision is to become a global hub between the East and the West and an upper middle-income country by 2016. Sri Lanka's Urban Vision, as defined in the government's development policy framework is to develop a system of competitive, environmentally sustainable, well-linked cities clustered in five Metro Regions (Colombo, North-Central, Southern, Eastern, and Northern) and nine Metro Cities (Ampara, Anuradhapura, Batticaloa, Colombo, Dambulla, Hambantota, Jaffna, Polonnaruwa, and Trincomalee) and to provide every family with affordable and adequate urban shelter by 2020 (World Bank, 2012).

In Sri Lanka the informal sector is defined to include enterprises and activities, which employ less than five persons, mainly from family sources. Investment in buildings and equipment is quite low, the technology is labor-intensive, management systems are simple with minimum documented controls, and the technical know-how and skills are acquired from the informal educational system (Becker, 2004).

Sri Lanka has a large informal economy encompassing agricultural, fisheries and construction industry. In addition, the retail trade is also largely informal (Becker, 2004). Hence the employment structure still shows the dominance of informal sector inherited with poverty in the rural and urban sector of the country. As per the Department of Census and Statistics, in Sri Lanka 63% of the total employment is in the informal sector. It is also revealed that, in Sri Lanka, agriculture sector comprises 84 % of informal sector employment. Regarding the different status of employment, it is noticeable that, 47% of the total informal sector employment are own account workers while, 91% of formal sector employment are regular employees. Though at present Gross Domestic Product (GDP) covers both formal and informal sector, it does not show the contribution of the informal sector separately as no information is available for such presentation (Department of Census &Statistics, 2006*)*.

Table 1: Distribution of Employment by Employment Status and by Economic Sector, First Quarter, 2006

Status in Employment	Formal Sector No.%		Informal Sector No. %		Total No.%	
Regular employees	2341472	90.5	1576430	35.1	3917902	55.3
Employer	82390	03.2	140938	03.1	223331	03.2
Own account worker	129304	05.0	2107624	46.9	2236933	31.6
Unpaid family worker	33030	01.3	670247	14.9	703278	09.9
Total	**2586195**	**100.0**	**4495240**	**100.0**	**7081435**	**100.0**

Source: Department of Census and Statistics

Case study Area

The City of Colombo and the Informal Sector

Colombo was known to many foreign nations for more than 2000 years during the past history as its strategic position along the East-West sea trade routes and the natural harbor. Currently Colombo as the Commercial Capital has a prominent place in the urban sector in terms of its location, primacy and complexity of activities. Colombo City generally considered the area covers under the Municipality limits of Colombo which is in extent of 3729 hectares (37.3 Sq. Km.) of land which is the largest among the Municipalities in the country. As per the Census of 2011 the population of Colombo was 555031. As per a report of the World Bank 2012 additionally there are about 400,000–500,000 daily commuters coming to the City for various purposes (World Bank, 2012). The general land use pattern represents the role of Colombo as the Commercial Capital. As per the year 2010 about 28%of the land was utilized for commercial activities and about 14% of the land occupied the port related activities. Residential use represents somewhat low share which is about 21% of the total area compared to the other regional towns in the country which the share for residential uses ranges from about 50 to 70% of the total land area.

Colombo is prominent both in the country's economy as well as in the urban informal sector employment. The informal sector employment is most visible in the city in the form of street vending or popularly known as pavement hawking. The spatial concentration of informal sector activities in Colombo is linked to the city's transportation network and the location of several key functions such as Central Business District (CBD) or the core of the city and major institutions like hospitals and formal sector commercial establishments. It is observed that these irregular and informal street vending activities are concentrated in several sub-centers of Colombo like Pettah, Fort, Borella, Maradana, Mattakkuliya, Grandpass, Kotahena, Dematagoda, Slave Island, Kollupitiya, Bambalapitiya, Wellawatta, Kirillapona and Town Hall of which most of them are transport nodes providing strategic locational advantages for many other formal sector activities. The overall analysis on the physical concentration of street vending activities (prior to the regularization) in Colombo revealed that Pettah and Fort is the major hub which accommodated about 65% -70% of informal street vending in the city. The Map 01 shows the sub-centers of Colombo with significant concentration of informal sector street vending. (Please note that activities of some sub-centers like Fort, Pettah, Borella, and Town Hall have been regularized by providing planned locations with facilities).

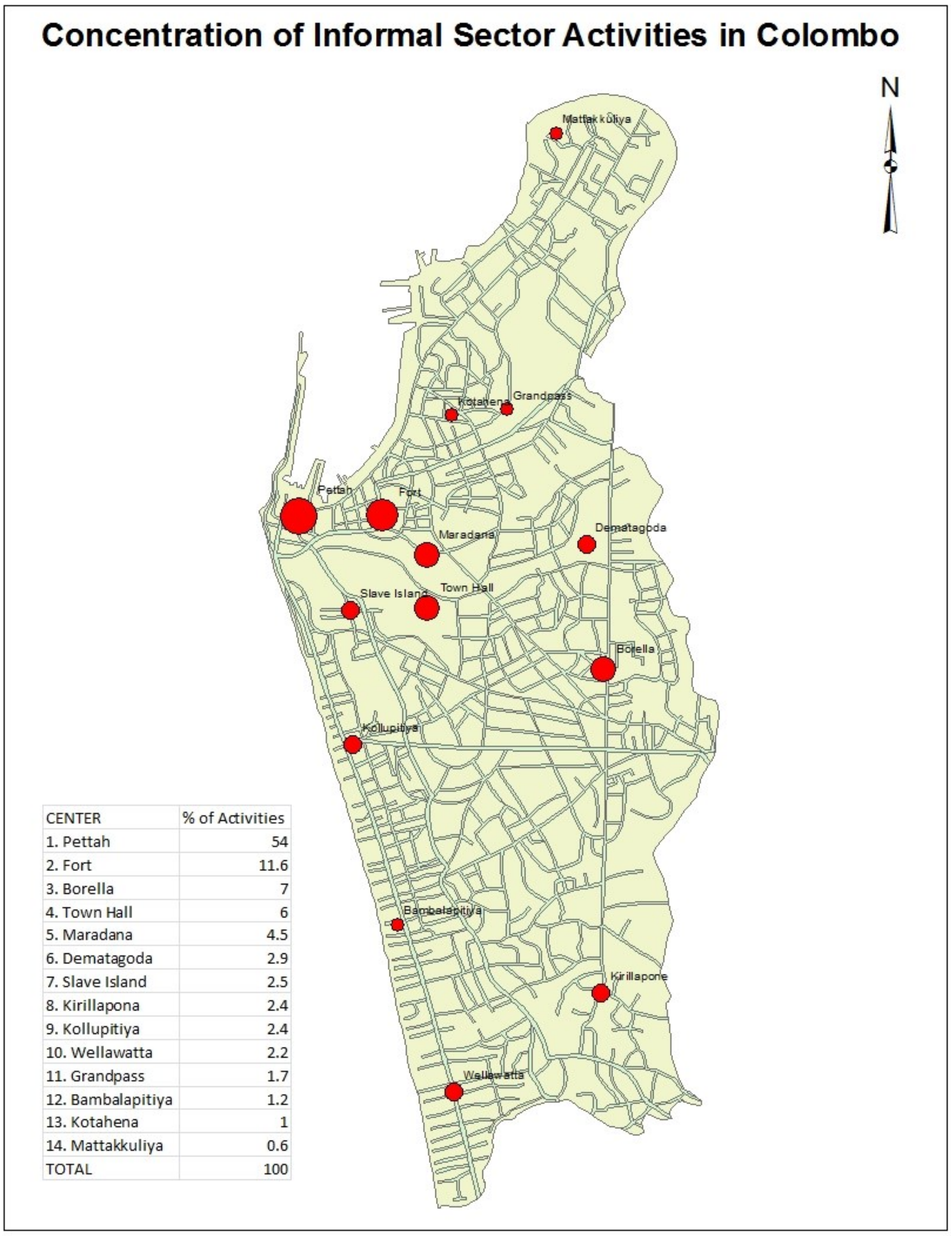
The Fort and Pettah is the CBD of Colombo with the highest concentration of activities which establishes the identity of Colombo as the Commercial Capital of Sri Lanka. According to the zoning plan of the city, the Fort area has been classified as concentrated development zone. Generally this zone as specified by the UDA can have unlimited number of floors in the context of building density in the area.

Colombo: As One of the Best Places to Live in the World

The government commitment is to develop Colombo as one of the top six destinations in the world to live in. Thereby several projects have been initiated (some of which are already completed) to provide Colombo with better network of infrastructure, living environment and enhanced beauty of the city. Having considered the potentials it is observed that Colombo can be a role model for urban development in the country.

For example Metro Colombo Urban Development Project (MCUDP) (2012-2017) is to support to reduce flooding in the catchment of the Colombo Water Basin, strengthen the capacity of local authorities in the Colombo Metropolitan Area (CMA) and to rehabilitate, improve and maintain local infrastructure and services through selected demonstration investments. There are several re-generation projects like Beira Lake, Race Course, Independence Avenue and Slave Island to change the old and outdated land uses for better opportunities. A number of underserved development projects are in operation to improve the living conditions of slums and shanty dwellers of Colombo. On the other hand the blooming of high-end apartments in all over the city reflects the suitability of Colombo for all classes of people to live.

Map 1: Concentration of Informal Sector Activities



CENTER	% of Activities
1. Pettah	54
2. Fort	11.6
3. Borella	7
4. Town Hall	6
5. Maradana	4.5
6. Dematagoda	2.9
7. Slave Island	2.5
8. Kirillapona	2.4
9. Kollupitiya	2.4
10. Wellawatta	2.2
11. Grandpass	1.7
12. Bambalapitiya	1.2
13. Kotahena	1
14. Mattakkuliya	0.6
TOTAL	100

Source: Compiled by author using survey data 2012

Figure 1: City of Colombo

Source: http://www.absolutesrilanka.asia/83-colombo.html

Figure 2: An Artist's Impression of the Proposed Port City at Galle

Source: http://www.ltaaa.com/bbs/thread-227936-1-1.html

Colombo also has a rich assemblage of historic buildings of which most of them are inherited from our colonial rulers. There are about 242 such buildings scattered all over the city which nearly half of them are in Fort and Pettah area (City of Colombo Development Plan 1999). Revitalization of heritage building is therefore another development effort to create a positive image of Colombo As such old historical buildings like Race Course, Dutch Hospital have been renovated and utilized in a manner to obtain the best possible usage. The development of Transworks Building site at Fort with two towers named as Krish Towers which each tower has 95 stories would be the tallest building in South Asia. The restoration of old Transworks Building is also a component of this giant project.

Colombo Port City project is another land mark in the urban development of the country which is an offshore city in Colombo, planned to be built on reclaimed land (230 ha) adjoining to Galle Face Green. As per the reliable sources the project will be commenced in the latter part of this year. It is expected to liberate more land for urban development in the city by re-location of Headquarters belongs to Army, Navy and Air-force to the suburbs of Colombo.

One of the challenges to be faced in making Colombo the best city in the world is illegal constructions and underserved settlements. Informal street vending in concentrated several locations is the most visible feature of such illegal constructions. The Urban Development Authority under the guidance and directions of the Ministry of Defense and Urban Development has made a program to re-locate those street vendors with better facilities while ensuring a minimum disturbance to continue their livelihood.

Data Analysis and Findings

This research was carried out to evaluate this program (by taking Pettah as the case study area) from the public perception point of view. A questionnaire survey was carried out to collect the data to measure the respondent's attitudes by asking the extent to which they agree or disagree with a particular statement relating to the perception on re-location, attitudes towards vendors and the customer relationship between public and street vendors.

It is expected that this study will inspire policy makers, professionals, city administrators and academia as well to understand and recognize the potential of street vending as a legitimate and viable business endeavor and regard urban space allocation in the pace of urban development.

Regularizing the Informal Sector Activities in Colombo: Re-location of Street Vendors

Convenience sampling method was applied for the questionnaire survey to ascertain the public perception on the resettlement of vendors who occupied the pavements of streets in Pettah and three hundred randomly selected people were interviewed from the people who passed through the particular locations (at Pettah) where the interviews were held. This questionnaire survey was conducted in three time slots (morning, noon and afternoon) during the period of 24th June to 02nd July in the year 2011.

First part of the questionnaire was to collect basic socio-economic information of the respondents. The gender distribution of the sample was 64% male and 36% female. It was revealed that there were several reasons in behind for coming to Colombo like for employment, business purpose, to obtain services, for education etc. and the majority interviewed were coming to Colombo for employment which represents 33% of the sample. The educational background of the respondents revealed that about 64% of them have got through the GCE (Advanced Level) Examination while 24% have a degree or postgraduate degree which represents high standards of education level.

The second part of the questionnaire was focused to identify the customer relationship between the respondent and the street vendors. About 84% of the sample expressed that they buy goods from the street vendors and the dominance of males was found again here as well. However it revealed that this relationship is not as regular as the respondents stated that they rarely purchase goods from street vendors which were about 76% of the sample. It was noted that among the goods that they purchase from street vendors, clothes, fancy items, hardware, foods, shoes and electric appliances are prominent. The next question was focused to explore the reason(s) for purchasing goods from street vendors. Convenience has been considered as the most influential factor for customers to select street vendors in purchasing some goods. The accessibility was the main factor which makes convenient to purchase goods. Affordability and low price of goods have become the second motivational factor for customers to select street vendors in purchasing goods.

The third section of the questionnaire was focused to ascertain the public perception on street vending. To measure the perception of respondent's perception on street vendors/vending and the relocation, respondents were asked to rank their level of agreement for series of statements from strongly agreed to strongly disagree in five response categories. The Likert scale (1 - (strongly disagree to 5 – Strongly agree) analysis was applied to analyze these scaling responses and 202 valid and completed questionnaires were utilized for the analysis.

To assess the perception of public on street vendors and street vending, several statements were included in the questionnaire reflecting some common characteristics (both positive and negative) of street vendors and vending. The second set of statements included in the questionnaire was to assess the public opinion on the re-location of street vendors (Pl. refer Table 2). The following section analyzes the responses given by the respondents for those series of statements.

Table 2: Summary of Survey Results

Public perception on street vendors	Scaling Responses					Mean
	SA	A	N	D	SD	
ST1 Street vendors are reliable and honest	00	33	59	77	33	2.46
ST2 Goods sold by them are in high quality	01	28	79	81	13	2.62
ST3 Prices of the goods are relatively low	35	118	23	21	05	3.78
ST4 Customers can bargain in purchasing goods	16	82	34	57	13	3.15
ST5 There is a vast selection of goods	50	91	32	23	06	3.77
ST6 This is the only source of employment for the urban poor	03	18	49	65	67	2.13
ST7 Street vendors create many issues in the city like congestion, pollution and anti-social activities	74	110	12	05	01	4.24
ST8 Street vendors create a negative image of the city	47	114	26	13	02	3.95
ST9 They have become a burden to the city authorities like CMC	01	31	69	88	13	2.60

Public perception on re-settlement of street vendors	Scaling Responses					Mean
	SA	A	N	D	SD	
ST10 Re-settlement is highly appreciated	65	121	12	4	00	4.22
ST11 Re-settlement is the only solution	16	108	61	15	02	3.60
ST12 Prices of the goods have been reduced after re-settlement	00	12	58	91	41	2.20
ST13 Quality of the goods have been increased after re-settlement	01	06	53	94	48	2.10
ST14 Many issues in the city like congestion, pollution and anti-social activities can be minimized (after re-settlement)	52	111	21	15	03	3.96
ST15 Re-settlement enhances the convenience of customers	55	74	34	32	07	3.68
ST16 This is purely a political decision taken to harass the street vendors	06	46	68	68	14	2.81

ST17 Re-settlement increases the poverty levels of street vendors	07	47	51	80	17	2.74
ST18 Re-settlement of street vendors violates the fundamental human rights	04	51	41	84	22	2.66

Source: Survey data 2011.

The calculated mean value of responses for each statement reveals the perception of the public. The first set of statements is on the characteristics of street vendors and street vending. The statements 1 to 6 reflect the positive characteristics of street vendors. The statement 1 that is "Street vendors are reliable and honest" which reflects the personal qualities of street vendors. The perception of the people on the honesty and reliability of street vendors which gives the mean value of 2.46 indicates that the most of the respondents were either neutral or disagreed on this aspect. The general perception that street vendors are less reliable and dishonest is therefore reflected through this analysis as well.

Findings indicated that most of the respondents similarly do not rely on the quality of goods sold by the street vendors. The mean value for the statement – "Goods sold by them are in high quality" is 2.62 which again infer the disagreement of the majority of respondents on this statement. The respondents were on the opinion that whatever the quality may be the goods are cheaper compared to the goods that are sold in the formal market. In the available literature it is revealed that the price of the goods sold in the informal sector are relatively low due to the less overheads like low rents, taxes, licenses as well as paying for infrastructure and services are either very minimal or no such overheads at all. Some scholars in writing on the informal sector therefore defined it as "bazaar type economy" or the "low price sector".

The respondents agreed that the customers can bargain with the sellers. The mean value of 3.15 for the statement "Customers can bargain in purchasing goods" reflects that a considerable number of respondents support this statement. It is a well-known fact that the prices of the goods sold in the informal sector are not fixed. Mostly the selling price is determined on the bargaining power of the customer.

The respondents have a strong feeling that there is a vast selection of goods. The mean value of 3.77 calculated for the responses given for the statement "There is a vast selection of goods" therefore indicates most of the interviewed were in favor of the statement. Empirical evidences also suggest that street vendors offer a variety of goods which can be purchased from different vendors who are concentrated in the vicinity of each of them.

The respondents however do not totally agree with the statement that expresses the informal sector as the only source of employment for the urban poor. The overall mean value for the six statements six which highlight the positive qualities of the street vendors is 2.9. This reflects the overall perception of the respondents on the positive qualities of street vendors is neither highly positive nor highly negative.

The informal sector in cities is an eye sore for many including planners, city administrators, politicians and the general public as well. In spite of the active existence and recognition of the role of informal sector for the development of urban economy, by and large most countries where informal sector exists treat them unfairly in legal and policy perspectives. Further this sector is excluded in the social system and urban development planning.

The statements 7, 8 and 9 of the questionnaire depict the negative aspects of street vendors which most commonly directed towards the street vendors. These statements contain the idea that street vendors create many issues in the city like congestion, pollution and contribute to build a negative image of the city (Colombo-the case study) and they pose a burden to the city authorities like Colombo Municipal Council. It is observed that respondents of this survey also perceived the most commonly held negative attitudes towards the street vendors. The mean values of 4.24 and 3.95 of the responses given respectively to the statements 7 and 8 stands for most of the respondents believe that street vendors are the people who create many issues in the city. Respondents also support the argument that the street vendors have become a burden to the institutions like Colombo Municipal Council.

The second set of statements of the questionnaire was focused to analyze the perception of the public on the re-settlement of street vendors. There are 09 statements starting from the statement 10 to 18 to assess this public perception. The first six statements articulate the positive aspects of the re-location. The mean value of responses given to the statement – "Re-settlement is highly appreciated" is 4.22 states that majority of the respondents were either strongly agreed or agreed to the statement. Regularization of informal sector activities like street vending undoubtedly contributes to reduce the traffic congestion and enhance the environmental quality. On the other hand it provides the safety and comfort of the pedestrians by way of releasing the pavements and pedestrian ways for the use of people. The respondents who interviewed similarly possessed these perceptions.

They also have the strong feeling that re-settlement is the only solution to mitigate those issues in the cities like Colombo. Findings of the answers given to the statement 11 proved this fact. Majority of the respondents highly appreciated the re-location with rational thinking behind their perception. The mean value of 3.96 given to the statement saying "Many issues in the city like congestion, pollution and anti-social activities can be minimized (after re-settlement)" indicates that people support for the re-location based on the belief that it is the solution to many other secondary issues linked with the street vending or commonly known as pavement hawking.

At the same time people were on the opinion that re-location enhances the convenience of customers (mean value of the statement 15 is 3.68). The re-settlement program implemented for the street vendors in Colombo Fort and Pettah area which is almost the Central Business District (CBD) of Colombo assured that street vendors were re-located close proximity to the places where they carried out activities earlier. Secondly the vendors were provided with better infrastructure and a permanent place for the business. Having understood these conditions people perceived the idea that re-location enhances the convenience of customers as the re-location causes less disturbance to both sellers and customers.

As per the findings of this study the re-settlement however does not positively contribute to the prices and the quality of goods. The experience of re-settlement programs of this nature revealed that re-settlement and regularization of informal sector activities tend to increase the prices of goods sold in those market due to the fact that re-settlers have to increase the prices to compensate the additional overheads like rents, taxes and payment for infrastructure.

The respondents of this study therefore bear the opinion that neither price of the goods have been reduced nor the quality of the goods has been increased after re-settlement. The mean values of the responses given to the statement 12 and 13 are 2.20 and 2.10 which reflect the most answers are either disagreed or strongly disagreed to those two statements. Practically it is not possible to increase the quality of goods as a result of re-location. Nevertheless the vendors can protect their goods as they are provided with permanent structure with other basic services.

The final three statements were formulated to reinforce the identified positive aspects of re-location by the respondents. A considerable number do not agree with the statement of "This is purely a political decision taken to harass the street vendors" which indicated through the mean value of 2.81. Even though the respondents do not distinguish the re-location as eviction, some respondents which are about 59% of the sample are either neutral or agree with this statement. Hence it is noted that though the public appreciate the re-location they are not fully aware on the way that the decision taken for re-location.

The perception of respondents on the aspect that re-settlement increases the poverty levels of street vendor's exhibits the same pattern as above but it does not favor much to reinstate this perception as observed from the calculated mean value which is 2.74.

The responses given to the statement – "Re-settlement of street vendors violates the fundamental human rights" take the similar pattern as explained above. However 52% of the respondents held the idea that re-settlement does not violate the fundamental human rights which give a mean value of 2.66.

Conclusions

The study reveals that about 84% of the respondents buy goods from the street vendors. However it is noted that most of them are not regular customers as about 76% of them revealed that they rarely purchase goods from street vendors. Convenience was been considered as the most influential factor for customers to select street vendors in purchasing some goods. The accessibility is the main factor which makes convenient to purchase goods. Affordable and low price of goods have become the second motivational factor for customers to select street vendors in purchasing goods.

The inquiry on the customer relationship indicated that there is a positive attitudes of public towards street vendors as they (majority) realized the contribution of street vending to satisfy the customer needs. Even though 16% of the respondents were not customers they did not express any strong argument revealing the negative aspects of street vending. The overall perception of the respondents on the positive qualities of street vendors is neither highly positive nor highly negative. In other words it is rather neutral.

The public evidently realizes the benefits accrue due to the regularization of street vending activities in Colombo. Though there are no benefits in terms of enhanced quality and price reduction of the goods after re-settlement, as per the perception of the public it enhances the environmental quality by resolving issues like congestion, pollution, safety and comfort of people. However some people (26%of the sample) have the perception that re-location is purely a political decision. People support for the re-location based on the belief that it is the solution to many other secondary issues linked with the street vending or commonly known as pavement hawking. On the other hand respondents were on the opinion that there is no negative consequence due to the re-location.

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