Chapter 6
Issues Relating to Social Security

6.1. Introduction

The ILO’s concept of decent work seeks to promote institutions that enable a growing number of people all over the world to work without oppression, with reasonable security of income and steadily improving opportunities for personal development (Standing 2002). The ILO’s Socio-Economic Security programme intends to address the decent work paradigm in terms of guaranteeing social protection to the workers (ibid). In this socio-economic security, the issue of basic security was upheld including seven forms of work-related security such as income and employment security, job and work security, skill reproduction, occupational and representation security. Of these seven forms of security, the concept of employment security has been addressed. Work-related security directly addresses the need for protection of the worker against accidents or illnesses. Hence social security has an imperative role on their work and living conditions.

Issues pertaining to the social security have been the centre of discussion all over the world. The implications of the term ‘social security’ have been dealt in greater detail and present conditions of social security have been studied intensively in the context of this group of self-employed urban workers. Social security covers healthcare, sickness and maternity benefits, compensation for injury at work or inability to work, survivors’ benefits, old age pensions, and so forth (ILO 2000 and Jhabvala 2000). Social protection policies in developing countries like India are almost always concerned with reducing vulnerability and unacceptable levels of deprivation. Ahmad et al. (1991) have discussed these two aspects of social security. Even the Beveridge Committee report (1942) said that social security means ‘freedom from want’, though it focused only on the ‘contingency part’. In India, almost 92 per cent of the workforce is excluded from formal rules and procedures and so the public policy must combine protective and promotional aspects of social security to integrate ‘work with security’. They have described the use of social means to prevent deprivation and vulnerability to deprivation. The main aim in terms of social security is to enhance and protect people’s ability to feed them adequately, and to avoid escapable morbidity and preventable mortality (Guhan 1994). The role of social security policies in developing countries must be extended to include
the prevention of increases in deprivation and the promotion of better chances of individual development (ibid).

The implementation of economic reforms in developing countries, particularly India are characterised by incomplete structural transformation, high levels of poverty and low quality of employment. It led to the view that social security should be concerned primarily with provision of income security, safety nets and social protection to the workers. Formal sector workers have steady and high income patterns and are therefore in a position to contribute regularly to social security. They generally have a long-term planning horizon, given their regular earnings. Hence they can provide for their retirement. This is not the case for the informal sector workers, who may not wish to save for retirement if they reach retirement at all or they will be supported by their children. Moreover, if they have the resources, they may prefer to invest in their business, in land or in their house (Prabhu 2001 and Ginneken 1999, 2003). Therefore, it will be the same for the employed workers like street vendors. Ahmad (1991), Burgess and Stern (1991), as well as Guhan (1992) emphasised the tackling of persistently low incomes as an important objective of social security. The scope of the term social security was expanded to include not only contingency related measures but also several programmes aimed at improving endowments, exchange entitlements, real incomes and social consumption (Guhan 1994).

Studies (Guhan 1994 and Ginneken 1996, 1999, 2003) confirmed that there are many reasons for the low level of social security protection in developing countries. The main finding is that many workers outside the formal sector are not able to contribute a relatively high percentage of their incomes to finance social security benefits that do not meet their priority needs. Moreover, they may be unfamiliar with the way the formal social insurance scheme is managed. There are also a host of factors that restrict access to the formal social insurance schemes, such as legal restrictions and administrative obstacles.

Social security for the informal sector is increasingly receiving the attention of academicians, policy makers, multilateral organisations, and NGOs, and writing on the subject is fast approaching the status of a growth industry (Ginneken 2003, Jhabvala and Subrahmanya 2000, Prabhu 2001, Dev 1999, and Unni and Rani 2001). Social security in
an economy with a large informal sector is thus seen to be a part of a comprehensive
poverty reduction programme which has a promotional component of improving
endowments and exchange entitlements as well as a protective component that protects
individuals from contingencies such as illness, disability and so on.

Hence, the social security programme in India can be divided into two parts. One
consists of protective social security measures, largely applying to formal sector workers
and covering medical care and benefits relating to sickness, maternity, old age, and so on.
The other part of the programme, promotional social security, consists of security relating
to self-employment and wage employment, and provision for basic needs such as food,
health, and education, especially for workers in the unorganised sector. Thus, the social
security programme should aim at the protection and promotion of both human and
physical capital. The ILO estimates that half of the world’s population has no social
security coverage and only one-quarter of the world’s population has adequate social
security coverage (Ginneken 2003). In India, however, only around 8 per cent of the total
number of workers is covered. This is because about 92 per cent of the total workforce is
employed informally. The Unorganised Sector Workers’ Social Security Bill has been
prepared by the Ministry of Labour, Government of India (GoI), in 2005 which has been
passed in 2008. The bill covers the entire country and all workers in the unorganised
sector. It covers self-employed workers, wage workers, home-based workers and
informal workers in the organised sectors who have no social security coverage. It also
considers old age pension for workers, health insurance for the individual and the family,
maternity benefits for female workers or spouses of male workers, and insurance to cover
death and disability arising out of accidents (GoI 2008b).

Here we can give an example of the National Rural Employment Guarantee Act
(NREGA), 2005 as a step towards legal enforcement of the “right to work”, as an aspect
of the fundamental right to live with dignity. The NREGA, 2005 ensures at least 100 days
of guaranteed wage employment in a year to at least one adult member of every
household. The work is to be provided within 15 days of demanding it and to be located
within a distance of five kilometers from the person’s residence. The salient features of
the NREGA include self-selection characteristics and the unemployment compensation to
be paid by the government, in case the required minimum employment could not be
provided. It is expected that the efficient implementation of the provisions of this act
would enhance the social security levels and reservation income of the rural labour households, besides bringing in a rise in the rural wage levels across the country.

Jhabvala (2005) makes an interesting comment on the chronic absence of social security measures for the unorganised workers in India. The need of the 92 per cent workforce are rarely kept in mind while designing policies, with the result that labour laws and social security acts rarely apply to them and the absence of proper organisation result in low enforcement. These laws are more applicable in an economy characterised by a recognisable employer-employee relationship while a large part of unorganised workers are working under temporary or casual contracts and the other vital section is self-employed (ibid).

There has been low enforcement of labour laws (which aim at social protection of workers). A shift in international thinking and power relations has led to the focus being now on ‘growth’ rather than ‘social distribution’, as deregulation is now the watch word for the government to boost the industrial sector and make it competitive in the international market (Jhabvala 2005).

The Second National Commission on Labour (NCL) had prepared a bill known as the Unorganised Sector (Protection and Social Security) Bill for meeting specific needs of the informal workers in India. Even after subsequent reformulation of the original bill by the present government, it largely goes unimplemented. The original bill clearly states the objective of the bill, which are protection and promotion of livelihood, improvement in the quality of employment and providing a decent life to all workers. It further stresses on removal of poverty through an increase in productivity and income earning capacity, as also an increase in the workers’ power to bargain for their rights. It emphasises on both protective and promotional measures to improve the situation of workers (ibid). The first step in proper implementation of such an act is that of legally recognising the activities of the vendors and issue them proper licenses. The work of reaching out to each and every worker is almost impossible for the state agency so trade unions, NGOs should be involved (ibid). There is a need to organise the workers so that each worker benefit keeping specific requirements in focus (ibid). Studies held in Asian nations such as in Cambodia (Kusakabe 2006) mentioned that due to absence of government assisted social security measures, street vendors manage their own social security by organising self-help groups.
6.2. Social Insurance Schemes

Social insurance schemes are meant to improve the ability of poor individuals and households to resist sudden shocks or losses caused by social and other contingencies. The two major generic schemes under this are the Janshree Bima Yojana (JBY), 2000 and the Universal Health Insurance Schemes (UHIS), 2004.

A universal social insurance scheme (Janshree Bima Yojana) was launched in 2000 by the Life Insurance Corporation of India (LIC). The implementation of the scheme, currently functional, is designed with the help of some local level nodal agencies such as Panchayats (local self governments), NGOs and self-help groups (SHGs) and other institutionalised arrangements. The LIC offers three social security schemes. Apart from the JBY, the ‘Shiksha Sahayog Yojana’ and the ‘Aam Admi Bima Yojana’ are other social security schemes of the LIC. Vendors in some of the places in the study are found to be beneficiaries of the JBY. It envisages life insurance protection to persons between 18-59 years old, living below or marginally above the poverty line in rural and urban areas. Since the JBY offers a group security cover, the minimum membership for availing the facility is 25. The occupational groups include unorganised sector workers like carpenters, beedi rollers, small scale and cottage industry and handloom workers, rickshaw pullers, auto drivers, cobblers, fishermen, brick-kiln workers and so forth. Both wage workers and self-employed workers are covered in this category. Although the occupational groups cover urban poor, street vendors are not explicitly covered. Even the lists of workers that are included under the vocation group (construction workers, or paper mill workers) exclude the street vendors.

The social insurance sector has witnessed a remarkable upsurge in the recent past, with the introduction of a number of new schemes like the one which was launched in

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13. Social security schemes under LIC have been presented from http://www.licindia.in/social_securities_001_benefits.htm, accessed on 2 January 2012.

14. Shiksha Sahayog Yojana is a scholarship scheme of the children of those people who are covered by the Janashree Bima Yojana. The scholarship programme was launched on the 31st of December, 2001. Students studying between ninth and higher secondary are given a scholarship of Rs 300 per quarter per child for a maximum period of four years. Two children per member are given this scholarship. The scheme is administered through the pension and group schemes of the LIC of India. (Sources: www.licindia.in/social_securities_003.htm; accessed on 2 January).

15. Aam Admi Bima Yojana is a social security scheme of the central and state/union territory governments and it is administered by the LIC to benefit the rural landless households. It is a group scheme in which the head or the earning member of the rural landless family is identified and covered by the scheme. (Source: www.licindia.in/aam_admi_features.htm, Access on 2 January 2012).
collaboration with LIC in 2001, ‘Krishi Samajik Suraksha Yojana’. It aimed at providing some social insurance benefits to the farmers. However, due to inadequate resources, the scheme was closed later in 2004.

Yet another LIC aided scheme was the ‘Varishta Pension Bima’ launched in 2003, which is being fully financed by the investments of the beneficiaries. Subsequently, in 2004, a community based Universal Health Insurance Scheme was also launched by the public sector general insurance companies of the country, which aimed at providing some reimbursement of medical expenses, assuring hospital care to poor persons and families; life-cum-accident insurance; and compensation on job loss to the families below poverty line. In 2004, the government also launched a Comprehensive Social Security Scheme for the Unorganised Sector Workers, as a follow up to the recommendations of the Second National Commission on Labour (NCL 2002).

6.3. Present Conditions of Social Security of Street Vendors: Insight from the Data

Vending is full of insecurities and uncertainties as vendors work at the roadside and accidents may occur at any time (Anjaria 2006 and Bhowmik 2006). Since workers of the informal sector do not have access to any government-assisted social security, they have to manage it on their own. Therefore, this study is an attempt to understand the conditions of social security of street vendors in Mumbai. Around 88 per cent of street vendors are not aware of the term ‘Social Security’. Another interesting trend in the study concerns accessing credit for social security purposes. Two hundred and thirty six out of total 400 vendors access credit and of these 236 vendors, 54 per cent access credit for the purpose of the social security. The importance of social security coverage for the vendors is clearly gauged from this fact.

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16 ‘Krishi Samajik Suraksha Yojana’ was launched on 1st July 2001 to provide social security and superannuation benefits to agricultural workers in selected 50 districts across the country. The target was to cover 10 lakh workers over three years time. The scheme provides life-cum-accident insurance, money back, pension and superannuation benefits. Each worker has to contribute Re 1 per day and Central Government will pay Rs 2 per day, per worker. (Source: labour.nic.in/dglw/krishish.html; accessed on 2 January 2012).

17 ‘Varishta Pension Bima’ was proposed in 2003-04 budget by the Ministry of Finance, to be administered by the Life Insurance Corporation of India (LIC). Under this scheme, any citizen above 55 years of age, could pay a lump-sum, and get monthly pensions. The amounts are pegged at Rs. 250 and Rs. 2000 per month respectively. These amounts are not however indexed to inflation. There is a guaranteed return of 9 per cent per annum for this scheme. The difference between the actual yield earned by the LIC under this scheme and the 9 per cent will be made up by the Central Government. (Source: http://labour.nic.in/ss/ssd.pdf; Access on 2 January, 2012)
6.3.1. Amount and Purposes of Borrowing

Data highlights that vendors have borrowed money for mainly three reasons; business, housing deposit, and social security purposes. Loans taken for social security purposes include financial exigencies arising out of ill-health, accidents, marriages, death of the income-earner and so on. The amounts are seen to vary depending on the purposes they serve. Nearly 53% females and 57% males take loans for social security coverage. Loan amounts for social security vary between Rs 1000 to Rs 500,000. But females as much as borrow between Rs 15000-30000 for meeting their social security needs. As far as the males are concerned, loan for this purpose ranges from Rs 1000 to Rs 30000. Around 13 vendors (including both males and females) are found to borrow as high an amount as Rs 250,000 - 500,000 for social security. (see Table 4.6).

6.3.2. Access to Social Security

Social security is one of the most basic needs of the vendors. However, 225 vendors in this study reported that they are not covered by any steady social security programme such as insurance cover and they need these urgently. They manage it internally from their savings or by borrowing from their relatives, without paying interest. The rest 175 street vendors reported that they need continuous support from the institutional or non-institutional sources to meet social security obligations. They face constant problems in meeting their children's education expenses, maternity expenses, and medical expenses arising out of prolonged sickness or accidents. Access to social security has been depicted in table 6.1.

<table>
<thead>
<tr>
<th>Access to social security benefits (institutional/non-institutional)</th>
<th>Gender</th>
<th>Total (Percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Female (Percentage)</td>
<td>Male (Percentage)</td>
</tr>
<tr>
<td>No</td>
<td>88 (53.7)</td>
<td>137 (58.1)</td>
</tr>
<tr>
<td>Yes</td>
<td>76 (46.3)</td>
<td>99 (41.9)</td>
</tr>
<tr>
<td>Total</td>
<td>164 (100.00)</td>
<td>236 (100.00)</td>
</tr>
</tbody>
</table>

N=400

Source: Based on Primary Survey

6.3.3. How do Vendors Manage Social Security?

All vendors have to meet their social security needs either from internal or external sources. Those vendors that do not avail any institutional or non-institutional benefits manage it through their savings or borrow it from their close relatives who do not charge interest. These are the internal sources. The rest avail social security from
some sources, do so either by availing the micro-insurance schemes through the trade unions or by borrowing at high rate of interest from the informal lenders such as wholesalers, money lenders or even relatives. These constitute the external sources of social security.

The study revealed that a majority of the street vendors (56 per cent) keeping their savings in banks and cooperatives or borrow from relatives to support themselves in situations of crisis, while 11.75 per cent use their membership in trade unions for credit. A substantial number of vendors (32 per cent) resort to borrowing at high interest rates in times of crisis (see Table 6.2). This assessment reveals that there is a growing concern among many vendors that they need to find their own ways to finance themselves in their time of need.

Table 6.2
Way of Social Security Management

<table>
<thead>
<tr>
<th>Access to Social Security</th>
<th>Total Number of Vendors (Percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>From savings at the time of emergencies and/or borrowing from relatives at 0 interest</td>
<td>225 (56.25)</td>
</tr>
<tr>
<td>Micro Insurance through Union</td>
<td>47 (11.75)</td>
</tr>
<tr>
<td>Borrowing from informal sources</td>
<td>128 (32.00)</td>
</tr>
</tbody>
</table>

N=400

Source: Based on Primary Survey

6.3.4. Purposes of the Social Security

Vendors need protective social security coverage. As seen from Table 6.3, the most important need for social security is towards the purposes of area concerns children’s education. Nearly 40 per cent said of the vendors claimed that this was the case. The second big expenses were for the purposes of medication and maternity purposes (about 27 per cent). The other two principal purposes relate to daughter’s marriage (around 17 per cent) and the contingencies arising out of accidents (15 per cent). In the study, a considerable proportion (nearly 67 per cent) requires social security for meeting accidental expenses or healthcare or maternity expenses. Among the females a greater proportion need social security for expenses related to accidents or marriage purposes.
Table 6.3

<table>
<thead>
<tr>
<th>Purpose of Social Security</th>
<th>Female (Percentage)</th>
<th>Male (Percentage)</th>
<th>Total (Percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children’s education</td>
<td>31 (40.8)</td>
<td>40 (40.4)</td>
<td>71 (40.6)</td>
</tr>
<tr>
<td>Accident</td>
<td>14 (18.4)</td>
<td>13 (13.1)</td>
<td>27 (15.4)</td>
</tr>
<tr>
<td>Daughter’s marriage</td>
<td>14 (18.4)</td>
<td>15 (15.2)</td>
<td>29 (16.6)</td>
</tr>
<tr>
<td>Medication &amp; maternity benefit</td>
<td>17 (22.4)</td>
<td>31 (31.3)</td>
<td>48 (27.4)</td>
</tr>
<tr>
<td>Total</td>
<td>76 (100.00)</td>
<td>99 (100.00)</td>
<td>175 (100.00)</td>
</tr>
</tbody>
</table>

N=175

Source: Based on Primary Survey

Therefore it can be said that the vendors need social security for reasons like, investing in children’s education so that they may either secure upward mobility for themselves within the self-employment sector or try to secure formal employment. Providing low-cost but high quality education for vendors’ children can reduce the need to borrow money at higher rates for this purpose.

Box 6.1

Importance of Social Security: Vendor's Perspective

Akhilesh Singh is in his mid thirties, lives and works in Kandivali. He is a fruit-seller by profession. He is Hindu and belongs to general category. He has managed to complete his education up to the upper-primary level. Originally from Uttar Pradesh, Akhilesh migrated to Mumbai in search of better job opportunities. His monthly income is Rs 4500 and expenses exceed this amount. Thus he overcomes the shortage by borrowing from money-lenders. A large number of people like Akhilesh are forced to drop out mainstream education because they have to earn money to sustain themselves and their families. Due to low levels of education, they are compelled to continue with their vulnerable situations and are unable to enter the formal job market along with higher income opportunities.

Akhilesh believes that education and training are the only means by which street vendors like him can prepare themselves for a better life. He understands the uncertainties associated with this profession. He has to work day-in and day-out to support his family but still finds it extremely difficult to sustain in a smooth manner. The ever-growing competition, hostile surroundings, increasing prices of essential items, and low and stagnant income have made this occupation even more discouraging for him and his children. He wants his children to study and equip themselves for better job prospects. He is willing to support their aspirations even if he has to borrow money for their education. As he says, ‘I do not want my children to become street vendors. This job has no dignity, no other respect, and is full of uncertainty. I started because I had no option, to survive. If my children want to continue with higher education, I would support them; I would even borrow money for them’.
6.3.5. Social Security Providers

The trend of data shows that most vendors do not access any government sponsored social security cover, they have to manage all expenses all their own. There are two principal external sources of social security, trade unions and the informal sources. Unions provide mainly the micro-insurance services, a part of JBY and nearly 26 per cent of the vendors avail this (see Table 6.4).

Informal sources consisting of wholesalers, money lenders and relatives provide financial support for social security purposes. Among these three sources, money lenders are the most important and 39 per cent vendors take loans from them for social security as well as business purposes. Wholesalers and relatives occupy the second and third position respectively. The trend for males and females is similar. Around 42 per cent of males and 37 per cent of females depend on the moneylender for social security (see Table 6.4).

<table>
<thead>
<tr>
<th>Names of Providers</th>
<th>Gender</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Female (Percentage)</td>
<td>Male (Percentage)</td>
</tr>
<tr>
<td>Money lenders</td>
<td>32 (42.1)</td>
<td>37 (37.4)</td>
</tr>
<tr>
<td>Wholesalers</td>
<td>24 (31.6)</td>
<td>28 (28.3)</td>
</tr>
<tr>
<td>Relatives (with interest)</td>
<td>3 (3.9)</td>
<td>4 (4.0)</td>
</tr>
<tr>
<td>Trade Union</td>
<td>17 (22.4)</td>
<td>30 (30.3)</td>
</tr>
<tr>
<td>Total</td>
<td>76 (100.00)</td>
<td>99 (100.00)</td>
</tr>
</tbody>
</table>

N= 175
Source: Based on Primary Survey

6.4. Borrowing for Social Security

Both the protective as well as promotional social security programmes are vital for street vendors. The promotional measures are important because it would increase their ability to earn higher incomes by securing their basic needs. Protective measures are vital because it would secure their future livelihood. However, the absence of social security cover forces them to borrow and since these are non-income generating, they result in debt-trap situation. The following case highlights a situation of debt-trap due to borrowing for social security.
A female vendor had borrowed Rs 200,000 for her husband’s operation eight years ago in Chennai. She was forced to borrow from three different sources: money lenders, fellow vendors and a bank at an interest rate of 5 per cent per month. So far, she has managed to repay half the amount, i.e. Rs 100,000 and now she has to repay the other half at three per cent per month. She has been allowed this reduction in interest rate since she has already repaid half the amount. Now she is paying almost Rs 3000 per month.

In addition to this, she had borrowed an amount of Rs 100,000 at 5 per cent per month for her father’s poor health. She sold their land and paid Rs 50,000. Now she is paying an interest rate of two per cent per month as interest on the remaining Rs 50,000. In addition to these two loans, she had borrowed Rs 150000 at an interest rate of one per cent per month from the bank for her children’s education three years ago. Now she is paying Rs 1500 per month as interest towards this loan. Therefore, altogether she is paying Rs 5500 month as interest for her various loans. Evidently, all the loans were for purposes of social security.

She pays interest to all the lenders on time. Sometimes she is able to do so only after borrowing from others. The interest on short-term private loan is higher than long-term loans. Thus she is a victim of the chain of debts. She said that local moneylenders readily give loans to the women vendors since they always pay back the loan along with the interest amount on time. When asked about her survival strategy, she smiled innocently and said: ‘It is a part of my business and my life, there is no choice but to continue with the struggle’.

6.5. Social Assistance Programmes

Social assistance programmes are a part of promotional social security programmes which enhances the capability for productive work of an individual. These programmes are intended to address the basic requirements of an individual for nutrition, sanitation and housing which in turn increases his/her power to function. The social assistance programmes constitutes a variety of measures such as food-based transfer programmes, income transfer programmes and cash-transfer programmes (Kundu and Srivastava 2004). The food based social safety nets are designed to ensure livelihoods and adequate consumption, relieve deprivation and improved nutritional status of the poor and vulnerable sections of the population. Broadly, three types of interventions could be identified in the category such as self-targeted employment programmes for the able
bodied (Sampoorna Gramin Rojgar Yojana\textsuperscript{18}; Food for Work Programmes; and Employment Assurance Schemes\textsuperscript{19}); welfare programmes for specific vulnerable groups (elderly, disabled, pregnant and lactating mothers etc.) and programmes for basic education and nutrition (Remesh and et.al 2006).

The public distribution system (PDS) is a key component in the overall food security arrangements in the country. Over the years, PDS has played an important role in moderating open market prices and ensuring food security at the household level by providing food grains and other essential commodities at lower prices. Nevertheless, in the past few decades, the mounting burden of food subsidies coupled with the limited effectiveness in targeting poor households, led the government to streamline the system. As a result of these efforts, from 1997 onwards the targeted public distribution system (TPDS) is being implemented in the country. The main objective of TPDS is to improve the PDS consumption of the ‘identified poor’ by offering a specific quantum of cereals at highly subsidised prices (Kannan and Pillai 2007). The current systems involved in distribution of the programme is vehemently criticised by commentators on account of issues such as inefficiency in targeting, increased per unit cost of transfer of benefits, leakages, unequal and skewed distribution of benefits to higher income classes (among

\textsuperscript{18} ‘Sampoorna Gramin Rojgar Yojana’ is a scheme of the central government. The primary objective of the Scheme is to provide additional wage employment in all rural areas and thereby provide food security and improve nutritional levels. The second objective is the creation of a durable community, social and economic assets and infrastructural development in rural areas. The community and rural development department is responsible for carrying out the scheme. The beneficiaries are the individuals or communities. Under the Scheme, funds and food grains would be allocated to the States/union territories on the basis of proportion of the rural poor in a State to the total rural poor in the country or such other criteria as decided by the Central Government from time to time. At the district level, the allocation of funds and food grains will be made according to the index of backwardness formulated on the basis of the proportion of rural SC/ST population in a district to the total SC/ST population in the State and inverse of per capita production of the agricultural workers in that District. Equal weightage will be given to these two criteria, while allocating funds and food grains to the district.


\textsuperscript{19} Employment Assurance Schemes scheme was launched on 2nd October, 1993 in 1775 identified backward blocks situated in drought prone, desert, tribal and hilly areas. Subsequently, the scheme was extended to additional blocks including 722 blocks previously covered under the second stream of JRY. The main objective of the EAS is to provide about 100 days of assured casual manual employment during the lean agricultural season, at statutory minimum wages to all persons above the age of 18 years and below 60 years who need and seek employment on economically productive and labour intensive social and community works. The works are to be selected by the District collector and implemented through the line departments in such a manner that the ratio of wages to non-wage component would stand 60:40. A maximum of two adults per family are to be provided employment under the scheme. The EAS is a centrally sponsored demand driven scheme under which no fixed allocations are made for the districts/blocks.

(Source: http://planningcommission.nic.in/reports/sereport/ser/ma ker/mak_cht3b.pdf, Access on 2 January 2012)
the poor), regional disparities in performances and so on (ibid). Notwithstanding all these comments there are evidences to suggest that the TPDS has improved coverage of poor households residing in rural areas of poor states, thereby ensuring food subsidy reaching them effectively (Kundu and Srivastava 2004). Despite the functioning of TPDS, along with other food transfer schemes introduced subsequently (namely The Annapurna Scheme\textsuperscript{20}; Antyodaya Anna Yojana\textsuperscript{21}), it is widely reviewed that the overall improvement in nutritional status of the population due to these schemes are rather low, which highlights the need for further strengthening the existing food transfer measures.

6.5.1. Status of PDS among Street Vendors

The section will try to address the present public distribution systems availed by vendors, primarily from three angles. The first, how many vendors are accessing it? Second, the types of PDS that they are availing, whether it is in accordance with the recently streamlined programme of the government, the TDPS and how many vendors are benefitting from it? Lastly, the quality of products obtained from the PDS systems and its actual utilisation by the vendors. The provisioning and access to quality products from the public distribution systems reflect the vendors’ living conditions as it has the capacity to improve their present living and working situations.

6.5.2. Ration Card Holders

The extent to which vendors access PDS facilities of the GoI may be understood from the possession of ration cards among the vendors. A large majority of the vendors (nearly 86 per cent) in this study are ration card holders as against 14 per cent who do not possess them. While the proportion of ration card holders among women (90 per cent) are greater compared to men (84 per cent).

\textsuperscript{20} The Annapurna scheme was launched by the Ministry of Rural Development in 2000-2001. Senior citizens, who are not eligible for the National Old Age Pension Scheme, are covered by the scheme. Under this, 10 kg of food grains per person per month is supplied free of cost. From 2002-2003, it has been transferred to the State Plan along with the National Social Assistance Programme comprising the National Old Age Scheme and National Family Benefit Scheme. The funds are being released by the Ministry of Finance as Additional Central Assistance. The programme implementation is done by the State governments as per the existing BPL norms. (Source: http://fcamin.nic.in/dfpd_html/welfare_scheme5.htm; accessed on 2 January, 2012)

\textsuperscript{21} The Antodaya Anna Yojana was launched in December in 2000 to make the TDPS more focused in 2000 for one crore poorest of the poor families amongst the BPL families covered under TPDS within the States and providing them food grains at a highly subsidised rate of Rs 2 per kg for wheat and Rs 3 per kg for rice. The States/union territories are required to bear the distribution cost, including margin to dealers and retailers as well as the transportation cost. (Source: fcamin.nic.in/dfpd_html/aay.htm, accessed on 2 January, 2012).
Table 6.5
Ration Card and Gender-wise Cross Tabulation

<table>
<thead>
<tr>
<th>Status of Ration Card</th>
<th>Gender</th>
<th>Total (Percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Female (Percentage)</td>
<td>Male (Percentage)</td>
</tr>
<tr>
<td>Non-holder of Ration-Cards</td>
<td>16 (9.80)</td>
<td>38 (16.10)</td>
</tr>
<tr>
<td>Ration-card Holder</td>
<td>148 (90.20)</td>
<td>198 (83.9)</td>
</tr>
<tr>
<td>Total</td>
<td>164 (100)</td>
<td>236 (100)</td>
</tr>
</tbody>
</table>

N=400
Source: Based on Primary Survey

6.5.3. Types of Card held APL/BPL

Of the 400 sample respondents, 346 are ration card-holders, APL (Above Poverty Line) card holders (63 per cent) far outnumber the BPL (Below Poverty Line) card holders (36 per cent). The trend is the similar for male and female vendors, but a large portion of vendors belong to the poorest section of the population, however the distribution of BPL cards seldom consider the following points into consideration. Therefore there has not been proper ‘identification of the poor’ for proper targeting through much more streamlined TDPS programme.

Table 6.6
Types of Card Holding and Gender Wise Cross Tabulation

<table>
<thead>
<tr>
<th>Types of ration card Holdings</th>
<th>Gender</th>
<th>Total (Percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Female (Percentage)</td>
<td>Male (Percentage)</td>
</tr>
<tr>
<td>BPL Holder</td>
<td>52 (35.13)</td>
<td>73 (36.86)</td>
</tr>
<tr>
<td>APL Holder</td>
<td>96 (64.86)</td>
<td>125 (63.13)</td>
</tr>
<tr>
<td>Total</td>
<td>148 (100)</td>
<td>198 (100)</td>
</tr>
</tbody>
</table>

N=346
Source: Based on Primary Survey

6.5.4. Types of Products Availed and Quality of Products

Normally the items include edible items like rice, wheat, sugar, pulses and kerosene. Cases are not exclusive and vendors are more or less found to consume all the mentioned items. Kerosene is an item that is high demand, as 162 vendors mention buying it. Wheat is quoted by 95, rice is the highest in demand mentioned by 205 vendors, sugar by 196 and pulses by 37.

Kerosene is a vital source of fuel for these people. It is used widely for heating, lighting and cooking purposes. Among the food grains, rice constitutes staple diet. An important trend is noticeable among the street vendors that although they are seen to be availing the various commodities being provided to them through the public distribution
systems, they consume the goods themselves as all vendors mentioned that the quality of cereals is very poor, especially rice. However, it is consumed by those whose income is low. Others normally sell it to their poor neighbour. They clearly mentioned that the items that are provided through the PDS system should be good in quality and at least consumable.

Table 6.7
Types of PDS and Gender Wise Cross Tabulation

<table>
<thead>
<tr>
<th>PDS Items</th>
<th>Gender</th>
<th></th>
<th>Male (Percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Female (Percentage)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kerosene</td>
<td>66 (50.4)</td>
<td>96 (53.0)</td>
<td></td>
</tr>
<tr>
<td>Wheat</td>
<td>36 (27.5)</td>
<td>59 (32.60)</td>
<td></td>
</tr>
<tr>
<td>Rice</td>
<td>90 (68.7)</td>
<td>115 (63.5)</td>
<td></td>
</tr>
<tr>
<td>Sugar</td>
<td>84 (64.1)</td>
<td>112 (61.9)</td>
<td></td>
</tr>
<tr>
<td>Pulses</td>
<td>15 (11.5)</td>
<td>22 (12.2)</td>
<td></td>
</tr>
</tbody>
</table>

N=400
Source: Based on Primary Survey

6.6. Housing

Housing is one of the most basic necessities of human life. It is one of the factors which must be brought under the promotional social security cover. Access to proper housing and the associated amenities improves their lives, leads to individual development, and increases their capacities to work and earn a better livelihood.

The GoI has formulated several programmes for housing development in the urban sector through its JNNURM programme. It has two parts under submission 1 and 2. The second submission (BSUP) under its programme Integrated Housing and Slum Development Programme (IHSDP) directly deals with the provision of housing amenities to the urban poor household, the slum dwellers. Additionally it is also under the programme titled Interest Subsidy Scheme for Housing for the urban poor, which envisages providing housing to people from the economically weaker sections and low income groups at subsidised rates of interest to enable them to buy or reconstruct houses.

In the study, respondents who lived either in the slums or adjoining areas were mostly found to occupy concrete houses provided by the Municipal Corporation of Greater Mumbai (MCGM). The state government’s Maharashtra Housing and Area Development Authority (MHADA) and other civic authorities have initiated several programmes to expand housing facilities to the slum dwellers under the Slum
Redevelopment Scheme. Under this scheme every slum dweller is provided a permanent tenement of about 225 sq.ft area. and 120,000 slum dwellers have got homes. This programme also known as VAMBAY (Valmiki Ambedkar Awas Yojana) is mainly targeted at the weaker sections and low income groups. The programme is now awaiting assistance from the JNNURM programme of the GoI22.

6.6.1. Type of Houses: Concrete/Semi-concrete/thatched

The houses of the vendors are either permanent tenements (concrete houses), semi-concrete or temporary shafts (thatched home). Tables 6.8 and 6.9 indicate that around 72 per cent of the total vendors own their houses and 28 per cent of the sample stays on rental basis. It is observed that some vendors having their own house also pay a nominal maintenance cost to the BMC like others. The concrete dwellings are provided by MCGM as a part of rehabilitation measures for slum dwellers. Nearly 68 per cent vendors occupy these houses. Vendors pay a rent of nearly Rs 2000. Those who live in slums mainly live in semi concrete and temporary shafts (nearly 31 per cent in this category). A comparison of male-female share of house-types shows that the proportion of females occupying permanent tenements is somewhat greater than that of men. The reverse holds true in the case of semi-concrete homes. A lesser number of women stay at temporary shafts as compared to that of men. A few among them have bought apartments with the help of accumulated savings.

Table 6.8
Ownership of Household Types across Gender

<table>
<thead>
<tr>
<th>Household Type</th>
<th>Gender</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Female (percentage)</td>
<td>Male (percentage)</td>
<td>Total (percentage)</td>
<td></td>
</tr>
<tr>
<td>Rented</td>
<td>45 (27.44)</td>
<td>68 (28.81)</td>
<td>113 (28.25)</td>
<td></td>
</tr>
<tr>
<td>Self-Owned</td>
<td>119 (72.56)</td>
<td>168 (71.19)</td>
<td>287 (71.75)</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>164 (41.00)</td>
<td>236 (59.00)</td>
<td>400 (100)</td>
<td></td>
</tr>
</tbody>
</table>

N= 400
Sources: Based on Primary Survey

22The information of the JNNURM programme has been collected from http://mhupa.gov.in/programs/upa/nsdp/vambay.htm and accessed on 12 December 2011.
Table 6.9

Types of Houses

<table>
<thead>
<tr>
<th>Types of house</th>
<th>Female (Percentage)</th>
<th>Male (Percentage)</th>
<th>Total (Percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thatched</td>
<td>5 (3.05)</td>
<td>11 (4.66)</td>
<td>16 (4)</td>
</tr>
<tr>
<td>Semi-Concrete</td>
<td>43 (26.22)</td>
<td>67 (28.39)</td>
<td>110 (27.5)</td>
</tr>
<tr>
<td>Concrete</td>
<td>116 (70.73)</td>
<td>157 (66.53)</td>
<td>273 (68.25)</td>
</tr>
<tr>
<td>Homeless</td>
<td>0 (0)</td>
<td>1 (0.42)</td>
<td>1 (0.25)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>164 (100)</td>
<td>236 (100)</td>
<td>400 (100)</td>
</tr>
</tbody>
</table>

N= 400
Sources: Based on Primary Survey

The average rent in poor areas is Rs 400 per month. Most street vendors live in slums. Many people were found to pack themselves into one house or compound which resulted in overcrowding, initiating the spread of disease and environmental degradation. Many street vendor households were housed in a single-room. Sharing the accommodation space, houses and compounds was widespread in many areas. Two, three, five or even more households shared one single compound. Many of the interviewees lived in compounds that only had one toilet and one bathing shared by 30–35 people. Most of the cooking took place outside the houses, where there were no drainage and/or sewerage facilities. In households with one bedroom, children of all ages and both the sexes slept in the living room, often on old bags made from cotton and spread out on the floor. The same room had all kitchen utensils as well as household cleaning materials; and in some cases, it also housed some family livestock such as poultry. Some of the vendors’ houses had no doors; the parents’ bedroom was separated from the living room with a curtain, often made from the wife’s old clothes.

6.7. Role of Social Network in Social Security

Social network plays a decisive role in credit accessibility for social security reasons. It is noticed that vendors borrow easily from moneylenders, wholesalers, and local traders for their capital requirements, provided they belong to the same community and place of origin as the vendors. On the other hand, for vendors that belong to ‘other’ communities and places of origin, it takes time to build ‘trust’ and ‘reputation’ to access capital. Thus, ‘network’ among the community plays a vital role in building these two critical dimensions of the vendor’s business. Once good ‘reputation’ and ‘trust’ have been built with the lenders, vendors borrow money from the wholesalers for other purposes as well, such as social security.
In the absence of government assisted social security, vendors have to manage it on their own. The role of social network plays an important role in this regard. Street vendors require money or help for their children’s education, for meeting unforeseen circumstances like accidents or any other medical emergencies. They either borrow or manage from their savings. They also borrow money from wholesalers, friends from the market or moneylenders. Most of the lenders charge interest on the principal amount. However, it is not easy to get money with interest from the lenders. Therefore, trust and other factor play a major role to build a rapport.

The borrowing for social security constitutes a non-income generating purpose. Money lenders do not easily give loan for this purpose without prior knowledge of the financial solvency of the vendor who wants the loan. In this case, vendors have to develop social contacts, build good reputation among them by not defaulting on the loans taken thereby building a relation based on trust to borrow money from the money lenders.

6.8. The Role of Economic Security

In developing countries like India, the basic idea is to have socio-economic security and not just social security. Social security refers to “relief from some specific contingencies” (Dev et al. 2001 and Dasgupta 2002). These contingencies are related to stoppage of incomes due to death, disability due to accidents, sickness and so forth. Thus workers are assumed to have “already achieved a satisfactory standard of living and now the primary objective is to protect citizens from a fall in this living standard”. So it is presumed that workers have access to regular incomes and now only their contingency related problems need to be removed (ibid). The term socio-economic security is thus more inclusive and more applicable in our society where the idea is to have productive employment options along with possibilities of career advancement and the ability to control terms and conditions of one’s’ work. So it aims at integrating work and security together (ibid). Standing (1999) defines work-based security as “includes labour market security including opportunities for productive employment, employment security i.e. protection against employment loss, work security and skill reproduction security meaning opportunity to gain skills through training. It also means income security in terms of regular and adequate income and representation security through protection of collective voice.” In India, socio-economic security must also accompany ‘basic security’ which
means enabling workers to access adequate food and nutrition, basic healthcare, education and so forth. Only when these minimum necessities are met can their ability to work and earn adequate means of livelihood be secured. This is actually what is meant by “freedom from want”. Therefore precisely we have discussed PDS, housing under the category of social security.

Economic security basically means that the workforce is protected from economic deprivation by way of assured and regular supply of income so that they are in a position to meet any kind of contingency situation. It also implies that their future income and employment is also secured. Promotional social security coverage should precede economic security. Access to self-employment opportunities and provision of basic amenities for the informal workers can enhance their capabilities so that they can earn higher incomes. Once a regular and sufficient amount of income is assured, they can easily be brought under protective social security coverage.

Street vendors are self-employed workers in the urban informal sector and suffer from multiple problems related to low and erratic incomes, vulnerability to diseases and infection due to prolonged working hours, living in ill-ventilated homes and unsanitary conditions, nutritional deficiency, tendency to shy away from approaching a doctor at times of illness to avoid medical expenses, and many others. In order to address these problems, comprehensive social protection programme is needed which is both promotional and protective.

Promotional efforts include provision of several programmes that help to open avenues for self-employment like credit facilities at affordable rate of interest, skill-enhancement and training programmes, expertise and consultancy services to the informal workers. In addition, it includes provision of basic services like nutrition, health and education for the workers. Once all these services are provided, their opportunities for earning would rise too, which in turn would increase their standard of living. Their increased income levels would make them save a part of their incomes for protective coverage just as the formal sector workers do. It is their financial solvency or economic security that influences them to think rationally about their future.
It is also found that the vendors lack basic promotional social security coverage. The education expenses of their children (education is a basic right of every child in the country) are met through borrowing from money lenders or wholesalers at high rates. The condition of another basic entitlement like ‘nutrition’ as is provided by the PDS system is also deplorable. Neither is it targeted properly nor is it good qualitatively. The provision of a third basic service ‘housing’ cannot be ignored. The efforts made by the BMC for redevelopment of slums is however notable.

6.9. Conclusion

The definition of decent work constantly stresses on productive work, work that ensures adequate income and protects rights through adequate social protection coverage (ILO 1999). The main goal of decent work is to promote freedom of work, equity in income distribution and non-discrimination at workplace, security of employment and all these ultimately leading to human dignity and individual development.

The theme of social protection is central to the decent work paradigm. The dimensions of social protection, the implications and the effects of its adequate coverage are widespread. It actually entails not only the idea of providing ‘cure of the illness’ but also to ‘prevent it at the outset’. Undesirable working as well as living conditions affects the workers to the extreme. Informal sector workers, especially the street vendors operate in hostile working environments, their work is characterised by prolonged duration of working hours. Roadside vending expose them to accidents, and they are prone to contract diseases due to air and noise pollution. They mostly live in slum settlements with improper drainage and sewerage disposal facilities. Their homes are ill-ventilated with inadequate spaces for many family members. They mostly have access to impure drinking water. All these conditions increase their vulnerability to illnesses. The food they are provided is of low quality, which leads many to sell it in the neighbourhood rather than using it. Proper targeting is not done to benefit the poor.

On the other hand, vendors’ need for social security reasons is immense both in terms of purpose and amount. One of the prime needs is to meet the education expenses of their wards. In the absence of adequate provision of these facilities vendors are forced to borrow the money from informal sources at high rates due to which they fall into a
They have to borrow money to meet expenses arising out of sickness, maternity, house construction and children’s education.

It has been stated in Chapter 1, that extreme poverty can result from two main factors. Firstly, absence of productive employment generating adequate incomes, and secondly, low rates of pay and inadequate social protection coverage. Social protection must aim at providing the vulnerable groups with the prime necessities of life and protect them against risks. It therefore intends to secure employment conditions, old age, sickness, disabilities arising out of accidents and maternity. Many among these are preventable, some avoidable through some measures, the rest inevitable. Social protection coverage should therefore be comprehensive in order to address them all. The last and major pillar of decent work is concerned with collective bargaining and the promotion of social dialogue among workers so that they can promote their collective rights. This has been discussed in the next chapter.