

# REPORT FROM CONSULTATION MEETING WITH STREET VENDORS

DATE: 23 AUGUST 2011

VENUE: GHANA TUC Conference Room

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## 1. Background

The Informal Sector Case Law project started in April 2011 through collaboration between Ghana TUC and WIEGO. The project seeks to assess legal constraints on the way of identified groups of informal sector workers in Ghana. Worker groups selected for the project include street vendors, head porters (kayayei) and domestic workers.

As part of data gathering and consultation with the member-based organizations in the chosen sectors, the project team held a meeting with the StreetNet Alliance Ghana on 23 August 2011.

## 2. Objectives of the Meeting

- establish working relationship with StreetNet for smooth implementation of the project
- understand from the workers perspectives legal issues or challenges impinging on their work
- gather information on their working conditions and others relevant data in accordance with the study objectives

## 3. Participants

A total of 25 members of the StreetNet were drawn from its branches in Makola, Tema station, Madina and Abokobi. The participants also included the executives of the StreetNet.

Members of the project team were present with support from two staff from the Organisation department of Ghana TUC.

## 4. Methodology

The meeting began with opening prayer and introduction of participants and delegates. The facilitator explained the purpose of the project and of the meeting following which key issues were discussed as follows:

**a. Local Assembly Bye-laws on street vending**

Participants stated that there are inadequate stalls within the designated markets. They believed that the population of Ghana has outgrown the market facilities, forcing some traders to take up public spaces. Assemblies' bye-laws on street vending were deemed impracticable so long as there are inadequate market facilities, the participants noted.

The limited stalls are also very expensive renting between GH¢2,000 and GH¢5,000 for 5 year period. The participants alleged that private developers engaged to build the markets sell out stalls to middlemen even before they are completed. The middlemen in turn rent the stalls at exorbitant rates.

The participants stated that often times, they build their own stalls or rent land for to site their tables or kiosk from landlords at a cost of between GH¢10 to GH¢15 per month. Traders who cannot afford to pay rents opt for street hawking, but also admitted that some traders who have stalls still prefer to sell on the streets for higher patronage.

They bemoaned harassment and imprisonment of traders by the local government authorities as infringement on their economic rights. When the facilitator queried participants about their knowledge of the Accra Metropolitan Assembly's bye-laws on street vending, they could not spell the details; though they knew that the AMA does not allow vending in some designated areas.

**b. Laws on sale of pirated products**

Participants mentioned confiscation of pirated cloth sold by some traders as one of the major challenges currently threatening their trade. They castigated the taskforce instituted by the association of textile industries with support from the Ministry of Trade and Industry as infringement upon their rights. While they agreed that pirating of Ghanaian designs by the Chinese producers was illegal, they argued that they are not the importers of those products. They stated that the taskforce should operate at the entry points at the borders and confiscate the products, so they do not get to the markets.

When quizzed whether they could differentiate between the pirated and original, they answered in the affirmative but justified that the pirated ones are cheaper and sell quickly. Thus they are able to realize their profits in short period. Participants also alleged that the taskforce do not burn the seized cloth as claimed but keep them for their benefit.

The facilitators explained to the participants, the need to comply with local laws and stay out of trouble. However, they have rights as citizens to advocate for amendments where they have contrary views.

**c. Internal Revenue Laws**

Tax payment appeared high on the agenda on the traders, who believed they were being over-taxed. Participants stated the Accra Metropolitan Assembly while it intimates that their vending sites are illegal, do collect taxes from them. They stated that tax collectors visit them daily even on lean seasons.

The facilitator led discussion on current local government revenue laws which obliges every one doing business to honour tax payment regardless of the nature or location of business. Participants expressed desire to have an engagement with local authorities on issues that affect their livelihood. They made request through the project team to the TUC, to facilitate such engagements on their behalf.

#### **d. City Decongestion and Relocation of Traders**

Participants noted a worry the effect of decongestion exercises on their trade. They stated that while they are not against city development plans, they expect that affected traders are relocated appropriately. They noted lack or inadequate dialogue on alternative settlements; noting that often times, the alternative vending sites offered lack basic infrastructure to support their business. In effect, traders abandon allocated sites and return to the streets.

#### **e. Labour Act (651) : Wages and Working conditions**

**Occupational Health and Safety Issues:** Participants mentioned poor environmental conditions at their vending sites. They stated that the stench from open and choked drainage threatens their health. They stated that some markets do not have basic facilities such as toilet and sewage systems. Other health and safety issues identified included theft, burglary, rats and open defecation. The participants noted they suffer frequent headaches, cholera and cold which they attributed to poor sanitary conditions at their vending sites. Other common occupational-related ailment mentioned included hypertension, back pain and pains in the knee among others.

**Sexual harassment:** Participants mentioned that young street vendors face sexual harassment from law enforcers. They noted that most young vendors are forced to give in sexual favours in exchange for return of their wares, when seized.

**Working Hours and Rest Periods:** All participants but two were self-employed without employees. Most participants had no knowledge of provisions in the Labour Act and how it affected them. On average, they worked 12 hours each day, Monday to Saturday. This also applied to their employees. The two employers stated that the working hours of their employees is determined by the operational hours of the shops and did not believe it was unfair

labour practice. On rest periods, all participants but one indicated they did not have specific breaks. However, they have adequate rest in between attending to customers.

**Wages and benefits:** As noted majority of participants are self-employed and are in control of their earnings, which is profit on sales. Participants however bemoaned inadequate returns on sales coupled with high cost of living which is eroding their capital. The two employers on the other hand had knowledge of some provisions in Labour Act regarding their responsibilities toward their employees. They were aware of minimum wage regulations but did not know the current minimum wage. Both employers paid their some of their employees a little below the legislated minimum wage. They were however quick to add other benefits they provide to the workers such as free meals and transportation.

In accordance with the Pension law in Ghana, most participants had voluntarily enrolled on the SSNIT Informal Sector Fund to contribute to pension. Some were also active members of the National Health Insurance Scheme (NHIS). One of the employers had also registered her employees with a *susu* collector and made daily savings of GH¢1 on their behalf.

#### **f. Dialogue with the Local Authority**

The leadership of the StreetNet bemoaned lack of attention given to the sector by government officials. They recounted several petitions sent to government ministries and departments and parliament which received no response. They stated that the Ghanaian private sector is largely informal and yet the sector receives very little attention. The sector should be specifically targeted and receive adequate budgetary allocation, they added.

The participants however mentioned cordial relationship they enjoyed with the previous AMA mayor under the past government. They noted that current AMA executives engaged specific individuals from the various markets who are the key contacts of their associations. They also hinted of formation of new associations which leadership have close relationship with the AMA. They debated several reasons accounting for the mayor's action but concluded that they needed to take steps to inform the mayor about the existence of the old association and their appropriate representatives.

#### **g. Support from other Organisations**

Participants stated they did not enjoy the support of any other organizations aside the Ghana Trades Union Congress. Individuals (mainly the leadership) belonged to the Netright which is an advocacy group championing the rights of women. They acknowledge the importance if such alliances and hoped to win the support of some civil society organizations.

## **5. Conclusion and Way Froward**

The project team and participants agreed a close working relationship in seeking to address the key issues identified. The leadership of the network was entreated to seek the support of other civil society organisation for a stronger voice in championing their course.

The participants were also informed about the impending visit from officials of WIEGO in October and the possibility that they would be expected to meet them.