

**Contribution of Informal Markets to
Poverty Reduction and Household Food Security among
Street Traders in Thulamela Local Municipality of Vhembe
District Limpopo Province**

by

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Dissertation submitted in partial fulfilment of the degree of

Master of Agriculture (Food Security)

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2013

STUDENT DECLARATION

I, Mpho Michael Mafunzwaini declare that “The contribution of informal markets to poverty reduction and household food security: A case study of street traders in Thulamela Local Municipality of Vhembe District, Limpopo province” is of my own investigation.

- This dissertation has not been submitted for any degree or inspection at any other university.
- In this dissertation, tables, data, pictures, graphs and other data from various sources of information and borrowed ideas have been duly acknowledged.
- Where other written sources have been quoted, then:
 - Their words have been re-written but the general information attributed to them has been referenced;
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Professor A. Bogale (Supervisor)

ACKNOWLEDGEMENTS

Acknowledgement is sincerely expressed for the assistance of Prof A Bogale for his guidance, continuous remarkable academic support and reviewing my various drafts. Without him, this study might not have developed the way I did. Thanks for your perseverance.

I acknowledge the generous financial assistance from the National Research Foundation (NRF) and College of Agriculture, Science and Engineering for funding my study and living expenses. This research would have been difficult without this financial support

I am grateful to my farther and family members who remained supportive and believing in me after the death of my mother. Thank you for always being there for me.

Many thanks to my dear friends, fellow students and staff from the African Centre for Food Security for their support and encouragement throughout the demanding moments of this study

Last but not least, I would like to thank all street traders who participated in the study

DEDICATION

I dedicate this thesis to the memory of my mother, *Nthanyiseni Florence Maboho Mafunzwaini* who died in my absence at the initial stage of this thesis in 2012. She worked hard and sacrificed a lot to the success of my studies. Her caring and words of encouragement will stay in my heart forever.

ABSTRACT

Although the government of South Africa has embarked on various interventions to address problems facing the country, a skewed economic structure, high unemployment rate, chronic poverty and structural household food insecurity continue to represent the country. As a result, many unemployed people and poor households venture into informal street trading to escape these challenges. It is against this background that this study attempts to document the contribution of the informal economy to poverty reduction and household food security.

The following objectives were implemented in order to achieve the intention of the study: to document the profile of informal street traders in Thulamela Local Municipality, assessing their knowledge of operating a business and the challenges they face, and to assess the prevalence of household food insecurity amongst households engaged in informal street trading in Thulamela Local Municipality. A multi-stage sampling technique was adopted to randomly select 100 controlled informal street traders. A mixed research method, field observations, key informants and open-ended and closed questionnaires were used to gather the information. Analysis of the data was done with Statistical Package for the Social Sciences.

The outcomes of the study revealed that informal street traders in Thulamela Local Municipality are 45 years old on average. Most of them live in rural areas in a household that consists of 5.3 family members. The informal street traders were found to have ten years of operating experience and predominantly trading horticultural crops. However, the sector is still confronted with various challenges that are obstructing its growth, profitability and sustainability. Amongst interviewed street traders, 37% were found to be food secure, 14% mildly food insecure, 33% moderately food insecure and 16% severely food insecure. The majority of households were unable to access sufficient food they prefer. Households can be affected by food insecurity in different ways depending on their socio-economic characteristics. Some significant differences were noticed between the socio-economic variables and household food insecurity prevalence categories. The study therefore recommends that policy-makers need to recognise and admit the importance of informal street trading as the number of people venturing into the informal sector accumulating.

CONTENTS

STUDENT DECLARATION	i
ACKNOWLEDGEMENTS	ii
ABSTRACT.....	iii
LIST OF FIGURES	vii
LIST OF TABLES	viii
LIST OF ABBREVIATIONS	ix
CHAPTER 1: INTRODUCTION	1
1.1 Introduction to the research problem	1
1.2 Significance of the study	5
1.3 Problem statement	6
1.3.1 Sub-problems.....	7
1.4 Study limits	7
1.5 Assumptions.....	7
1.6 Organisation of the thesis	8
CHAPTER 2: LITERATURE REVIEW.....	9
2.1 Introduction	9
2.1.1 The current status of food insecurity across the world	9
2.1.2 Food security in South Africa.....	12
2.1.3 Poverty and food security in urban areas of South Africa.....	19
2.1.4 Causes of poverty and food insecurity	20
2.2 Evolution of the informal sector concept	22
2.2.1 Characteristics of the informal sector	23
2.2.2 Knowledge of informal street traders regarding operating small business enterprises.....	24
2.3 The informal sector in South Africa.....	24
2.4 Informal street traders	26
2.5 The contribution of the informal sector to poverty and unemployment reduction and food security.....	26
2.5.1 The informal sector as a source of employment in developing countries	26

2.5.2 The informal sector as a source of employment in South Africa	28
2.5.3 The contribution of the informal sector to the economy in developing countries	30
2.5.4 The contribution of the informal sector to the South African economy	31
2.5.5 The contribution of the informal sector to food security	32
2.6 Chapter summary	33
CHAPTER 3: RESEARCH METHODOLOGY	35
3.1 Introduction	35
3.1.1 General description of Limpopo province	35
3.1.2 Overview of the study area	37
3.2 Nature of the study	38
3.2.1 Sampling procedure	38
3.2.2 Data collection tools	39
3.2.3 Sample size	39
3.2.4 Information collected	40
3.2.5 Meeting with informal street trading representatives	40
3.2.6 Survey and interviews	41
3.2.7 Secondary data	42
3.2.8 Problems encountered during the data collection period	42
3.2.9 Data entry	42
3.2.10 Methods adopted to analyse data	43
3.3 Chapter summary	45
CHAPTER 4: RESULTS AND DISCUSSION: TYPOLOGY OF INFORMAL TRADERS.....	47
4.1 Introduction	47
4.2 Socio-demographic characteristics of informal street traders in TLM	47
4.3 Educational level of respondents	50
4.4 Main reasons for operating as a street trader	52
4.5 Distribution of informal business activities	53
4.6 Status of informal business enterprises in TLM	55
4.7 Challenges faced by informal street traders in TLM	55
4.7.1 Access to physical facilities	57
4.7.2 Access to basic services	58

4.8 Chapter summary	59
CHAPTER 5: RESULTS AND DISCUSSION: THE PREVALENCE OF FOOD INSECURITY AMONGST HOUSEHOLDS ENGAGED IN INFORMAL STREET TRADING IN TLM	61
5.1 Introduction	61
5.1.1 Household Food Insecurity Access Scale score	61
5.1.2 Domains related to household food insecurity	62
5.2 Household Food Insecurity Access Prevalence categories	65
5.3 Socio-demographic characteristics and household food security amongst households involved in informal street trading in TLM	66
5.3.1 Household food security categories distributed by sex of household head	66
5.3.2 Household food security categories distributed by marital status	67
5.3.3 Household food security categories distributed by education of household head	68
5.3.4 Household food security categories distributed by household monthly expenditure	69
5.3.5 Household food security categories distributed by age of the household	70
5.4 Chapter summary	71
CHAPTER 6: CONCLUSION AND RECOMMENDATIONS	73
6.1 General	73
6.2 Conclusion.....	73
6.3 Recommendations to improve informal markets and ensure that the sector contributes to poverty reduction and household food security effectively	75
6.3.1 How interventions can play role in the growth of informal street traders	76
6.4 Implications for further research.....	78
REFERENCES	79
APPENDIX A: ETHICAL CLEARANCE LETTER	98

LIST OF FIGURES

Figure 2.1 Distribution of number of undernourished people (million)	11
Figure 2.2 Percentage of food insecure people by province	17
Figure 2.3 Comparison of employment in the informal sector across developing countries	27
Figure 2.4 Comparison of the contribution of the informal economy to the gross domestic product (GDP).....	31
Figure 3.1 Steps followed when applying multi-stage sampling procedures	39
Figure 4.1 Distribution of reasons for engaging in street trading	52
Figure 4.2 Constraints faced by informal street traders when establishing their business ..	56
Figure 4.3 Types of shelter from which businesses operate	57
Figure 4.4 Access to various services by the informal traders in TLM	58
Figure 5.1 Household Food Insecurity Access Prevalence (HFIAP).....	66
Figure 6.1 Schematic presentation of how government can play role in the growth of informal business	77

LIST OF TABLES

Table 2.1 Percentages of food insecure households at national level	16
Table 2.2 Comparative studies in household food insecurity in Limpopo province.....	17
Table 4.1 Socio-demographic characteristics of people engaged in informal street trading.....	48
Table 4.2 Distribution of educational level by gender of respondents	51
Table 4.3 Distributions of commodities sold by informal street traders in TLM	54
Table 5.1 Average household food insecurity access scale score	61
Table 5.2 Distribution of households' anxiety and uncertainty about household food supply in TLM.....	62
Table 5.3 Insufficient quality (includes variety and preferences of the type of food)	63
Table 5.4 Insufficient food intake or quantity of food	64
Table 5.5 Household food security categories distributed by sex of household head	67
Table 5.6 Household food security categories distributed by marital status.....	68
Table 5.7 Household food security categories distributed by education of household	69
Table 5.8 Household food security categories distributed by household monthly expenditure	70
Table 5.9 Household food security categories distributed by age of the household	71

LIST OF ABBREVIATIONS

CS	Community Survey
FANTA	Food and Nutrition Technical Assistance Project
FAO	Food and Agriculture Organisation
FET	Further Education and Training
FIVIMS	Food Insecurity and Vulnerability information and Mapping System
GDP	gross domestic product
GHS	General Household Survey
HFIAS	Household Food Insecurity Access Scale
HFIAP	Household Food Insecurity Access Prevalence
HIV/AIDS	Human Immunodeficiency Virus infection/Acquired Immunodeficiency Syndrome
HSRC	Human Sciences Research Council
IES	Income and Expenditure Survey
IFRCRCS	International Federation of Red Cross and Red Crescent Societies
ILO	International Labour Organisation
LFS	Labour Force Survey
MDG	Millennium Development Goal
NFCS	National Food Consumption Survey
NDP	National Development Plan
SADC	Southern African Development Community
SPSS	Statistical Package for the Social Sciences
SASAS	South African Social Attitudes Survey
SD	standard deviation
TLM	Thulamela Local Municipality
VDM	Vhembe District Municipality

CHAPTER 1: INTRODUCTION

1.1 Introduction to the research problem

After the inauguration of democracy in April 1994, expectations for the reduction of poverty, unemployment and income inequality were higher than under the system of racial segregation in South Africa. Countries considered to be middle-income countries similar to South Africa are far ahead with regards to poverty reduction (Tregenna 2011). In South Africa, conditions have not changed much since 1994: a skewed economic structure, high poverty rate, unemployment and food insecurity challenges continue to characterise South Africa (Labadarios *et al.* 2009; Davies & Thurlow 2010; Leibbrandt *et al.* 2010; Lehohla 2012; Patel 2012). These detrimental conditions have increased the vulnerability of ordinary South Africans already struggling to meet their basic household needs. As a result, these trends (e.g., skewed economic structure, high poverty rate, unemployment) negatively affect the degree of household food security of many families. According to Altman *et al.* (2009), this is not an acceptable state of affairs in a middle income country.

Empirical evidence noted by several scholars shows that millions of South Africans are vulnerable and struggling to gain access to basic services and opportunities to improve their livelihoods as they live under a state of chronic poverty (Altman *et al.* 2009; Abdur-Raheem & Worth 2011; Davids 2011; Modirwa & Oladele 2012; Lehohla 2012). These further exacerbated the challenges which limit the ability of people to search for employment opportunities (du Toit 2011). This is especially the case in less developed provinces such as Limpopo, Mpumalanga and the Eastern Cape (Gyekye & Akinboade 2003; HSRC 2004, Alemu 2010). Despite the unavailability of an official poverty line in South Africa (Bhorat *et al.* 2012), statistical evidence indicates that more than 10% of the population is living on less than US\$1 a day (especially amongst the remote rural areas “extremely poor”), which is insufficient to meet basic needs (Crush *et al.* 2012). Whereas countries categorised in the same levels of income per capita with South Africa, less than 2% of citizens live below US\$1 a day (Tregenna 2008, 2012).

Starvation and the need for acquiring basic household needs have left many vulnerable people and poor households with few alternatives to survive. These needs determine individual nutritional security (Carletto *et al.* 2012). The majority of these people and

households are forced to find alternatives to escape poverty and unemployment in order to acquire household needs (Lalthapersad-Pillay 2004; Crush & Frayne 2010) and they depend on various sources of income. As there are requirements to enter the formal sector, the majority of unemployed people find informal street trading a better option to escape the numerous challenges they are facing (Masonganye 2010; Jiyane *et al.* 2012). However, they tend to generate income far below the poverty line that could change their living standards and household food security (Lalthapersad-Pillay 2004; Kingdon & Knight 2007).

Over the past few years, as in other developing countries, several studies have been done across South Africa to address the growing issues of poverty, food insecurity and unemployment (Altman *et al.* 2009; Abdu-Raheem & Worth 2011; Modirwa & Oladele 2012). However, the rate of trends such as unemployment and poverty continue to grow and there is strong evidence that the percentages of the population who are either poor or susceptible to poverty is expanding (Floro & Swain 2012). Poverty has been described as the condition where “individuals, households and communities experience the inability to acquire sufficient resources in order to meet acceptable social minimum living standards” (May 1998). These conditions are eradicated when people improve their standard of living (Mubangizi 2008).

The Reconstruction and Development Programme initiated in 1994 identified food security as one of its priority policy objectives (Sekhampu 2013). In September 2000, the government of South Africa combined with other representatives from more than 189 countries at the World Food Summit in Rome, Italy, and committed itself to the Millennium Development Goals (MDGs), which aimed at alleviating extreme poverty and 50% of undernourished people by 2015 (Shoaf Kozak *et al.* 2012). Amongst the eight MDG goals, eradicating extreme poverty has been identified as the first priority and as a basic condition for ensuring social and economic sustainability (Altman *et al.* 2009). Within this goal, creating employment and decent work for all has been documented as supporting the objective of MDG 1 (Shoaf Kozak *et al.* 2012). In 2002, the Department of Agriculture adopted the Integrated Food Security Strategy, which explicitly aims to eradicate hunger and nutrition deficits among low-income households (Department of Agriculture 2002; Khoza 2008; Jacobs 2009; Drimie & Ruysenaar 2010). The Human Sciences Research Council (HSRC) argued that one of the critical components in achieving MDG 1 is to improve household food security (HSRC 2007, cited by Altman *et al.* 2009).

A number of food security programmes have been implemented to achieve this goal (Khoza 2008; Modirwa & Oladele 2012; Mwale *et al.* 2012; Baiyegunhi & Makwangudze 2013 for an in-depth discussion about these programmes). All these programmes clearly illustrate the government commitment to alleviate poverty and food insecurity for a better life for all citizens.

Fascinatingly, other scholars point out that these strategies have the same visions as the Food and Agriculture Organisation (FAO) definition of food security of 1996 (De Cock *et al.* 2013). However, there are a number of constraints facing these programmes. It is surprising that despite the high unemployment rate in South Africa (Kingdon & Knight 2007), in all these strategies, the informal economy – a sector that operates as an income generator and source of employment in many households and economic backbone– was not mentioned (Battersby 2011).

South Africa will report to the General Assembly of the United Nations on its progress in meeting MDG 1 in 2015, although many of these obligations have not yet been met in reality. However, when observing the country's progress today, there is no uncertainty that South Africa has made tremendous progress in achieving some of these goals, while others are far from being reached (Lehohla 2010). According to a recent Development Bank of Southern Africa report, the nature and form of economic growth and job creation have not been sufficient to address high levels of poverty and inequality, and the effectiveness of the South African state is still hampered by significant capacity gaps even after more than a decade of reform (DBSA 2011). In 2000, approximately 14 million people ($\pm 35\%$ of the population), particularly women, were vulnerable to food insecurity (Labadarios 2000, cited by Thamaga-Chitja 2012), whilst more than 19 million of households were suffering from chronic poverty (Terreblanche 2002, cited in Tshuma & Boyana 2013). Given that South Africa is regarded as an upper-middle income country in per capita terms (May 1998; Manyamba *et al.* 2012), it will be extremely unacceptable if the government cannot achieve this objective (Frye & Kirsten 2012). These facts clearly indicate that the government of South Africa is still in the process of identifying appropriate interventions that could assist the country to reach its objective.

As is the case in other developing countries (e.g., Tregenna 2011), various international organisations and the government are implementing programmes to assist vulnerable people to improve their own lives and livelihoods (Khoza 2008; Abdu-Raheem & Worth

2011; Modirwa & Oladele 2012; Sekhampu 2013; Tshuma 2012; Tshuma & Boyana 2013). Bhorat *et al.* (2012) mentioned some of the successful interventions implemented in South Africa to fight poverty namely, increases in the delivery of services such as free basic piped water, sanitation and electricity yet the effectiveness of other interventions is questionable. In fact, finding appropriate and effective ways to reduce the prevalence of household food insecurity, unemployment, income inequality and poverty remains challenging in South Africa, especially in less developed provinces such as Limpopo, Mpumalanga and the Eastern Cape, as most of them have not actually improved food security, alleviated poverty and reduced unemployment rates (Gyekye & Akinboade 2003, HSRC 2004, Alemu 2010).

Numerous academics argue that poverty cannot be alleviated without addressing the root causes of the low level of incomes and high level of risks faced by the working poor in the informal economy, since the majority of people are surviving through this sector, particularly in developing countries (Ligthelm & Van Wyk 2004; Hitimana *et al.* 2011; Chen 2010; Rudolph *et al.* 2012). These were noted 32 years ago in South Africa by Dewar and Watson (1981, cited by Holness *et al.* 1999). It has been scientifically documented and agreed that the informal sector – particularly street trading – plays an important role in changing the lives and livelihoods of poor people in South Africa, as it acts as a safety net for a majority of households (Holness *et al.* 1999), yet the sector is still largely ignored and underestimated (Skinner 2008; Rudolph *et al.* 2012). It is still not clear what the degree of the contribution of the informal sector is in such households food security.

According to Valodia (2013), who highlighted the importance of considering the sector in the National Development Plan (NDP), the government of South Africa adopted the framework in order to deal with the issue of employment and economic challenges; surprisingly, the informal economy does not feature very prominently in the employment plans of the NDP. The informal sector has not been accorded the recognition it deserves in major policy documents such as NDP. It has been difficult to transform informal street trading in South Africa since 1994. Due to that, the South African government has limited understanding of the role of the informal sector, underestimating its importance and failing to understand how it works (Battersby 2011). Consequently, South Africa has been unsuccessful in providing an enabling environment for informal street traders since 1994, yet millions of people depend on this sector for their economic livelihood. Opportunities in South Africa's informal economic activities are paltry to improve standard of living. The

sector is characterised by underdeveloped infrastructure and this suggests that the informal economy is still poorly considered in development and food security policies, yet literature shows that the sector is one of the fastest-growing sectors and acts as a source of employment and an income generator (Mayrhofer & Hendriks 2003). From a policy point of view, in order to be in line with MDG 1, this dissertation is thus directly relevant to policy-makers by arguing that the informal sector – particularly street trading – cannot be considered as a temporary phenomenon while the country is faced with a growing number of unemployed people.

1.2 Significance of the study

Even though the government of South Africa has increased efforts to improve the situation of all province since 1994, the Limpopo province is still one of the poorest provinces in South Africa and has the highest incidence of unemployment, poverty and underdeveloped infrastructure (Gyekye & Akinboade 2003; Kyei & Gyekye 2011). Since the advent of democracy, the situation has not changed significantly. As shown by the HSRC in 2004, two local municipalities were amongst the ten poorest municipalities in South Africa (HSRC 2004).

A number of studies have examined the demographics profile of households in the Limpopo province in general (e.g., Gyekye & Akinboade 2003, Adong 2012; Oni *et al.* 2011; Mashau *et al.* 2012). However, little research has been done on profiling informal street trading characteristics and quantifying its contribution to poverty reduction and household food security. In other provinces, much has been done in relation to informal markets to bridge the existing gap and to provide policy-makers with recent information (e.g., Abdulla 2008; Bantubonse 2008; Sidzatane 2011). For example, research has shown that the city of Durban has the best environment for informal street traders (Mitullah 2003).

According to Alemu (2010), a number of food security and informal trading studies (Holness *et al.* 1999) exist in South Africa. However, no study that this author is aware of has specifically examined the prevalence of household food insecurity amongst households engaged in informal street trading in South Africa. The overwhelming majority of studies concentrated on poverty rather than food security (Alemu 2010). These consequently lead to a lack of implementation of appropriate policy interventions.

To fill the gap left by existing literature, this research project aims to increase baseline data that could assist sustainable development to achieve MDG 1 and poverty reduction strategies. It further aims to identify gaps and quantify any constraints that still need to be addressed and explore possible interventions to improve informal street trading conditions within the area of study and elsewhere. The study also aims to outline the household food security status of informal street traders in order to provide sufficient data at the local level to understand why some families are unable to meet their fundamental nutritional requirements. For strategic intervention to improve the livelihoods of informal street traders, the socio-demographic characteristics of the population have to be understood.

1.3 Problem statement

For the past 19 years of democracy, high rates of economic growth has been observed in South Africa; however, it does not seem to have led to high rates of employment creation and poverty reduction or to have resolved food insecurity complications. Millions of people in South Africa still depend on informal activities for their livelihoods or make their living partly through selling goods on the streets, where there is high economic risk, yet alternatives to improve their trading sites are largely ignored (Skinner 2008). Even though most informal street traders share the objective of seeing their business graduate to formal business status, limited educational knowledge has been documented as one of the major factors hampering their movement (Ngiba, *et al.* 2009; Hobson 2011; Dodson *et al.* 2012; Geetika *et al.* 2012; Mashau *et al.* 2012; Da Cock *et al.* 2013), with further negative impacts on poverty in South Africa (Motloun & Mears 2002). Many other factors negatively affect street traders, for example, rudimentary structures and lack of access to finance, sanitation, necessary storage and refrigeration facilities, and running water (Holness *et al.* 1999; Mitullah 2003; Ligthelm & Van Wyk 2004; ISPESE 2005; Ngiba *et al.* 2009; Willemse 2011; Woodward *et al.* 2011; Jiyane *et al.* 2012). These factors affect the livelihoods of street traders (Abdulla 2008; Mashau *et al.* 2012), as well as their individual food security status (Pinstrup-Andersen 2009) and leave these people without interventions of breaking the cycle of poverty and food insecurity (Jiyane & Mostert 2008). Therefore, it is imperative to address the challenges faced by the participants in the sector and come up with informed policy measures that are geared towards improving the lives and livelihoods of the people.

1.3.1 Sub-problems

The following sub-problems were identified:

- What are the socio-demographic characteristics of informal street traders in Thulamela Local Municipality?
- Do informal street traders have knowledge of operating small business enterprises?
- What are challenges faced by informal street traders in Thulamela Local Municipality?
- What is the prevalence of household food insecurity amongst households engaging in informal street trading in Thulamela Local Municipality?

1.4 Study limits

Similar to other studies, there are several limitations in this study, owing to the multi-dimensionality and heterogeneity of informal markets. The study specifically focused on informal markets, particularly the street traders, vendors and hawkers of Thulamela Local Municipality in the Vhembe district of Limpopo province. For the purpose of this study, only 100 vendors were selected to represent the area of study. By restricting the sample to informal street traders only, the ability to generalise the findings is limited. A similar case has been noted in a study conducted by Campbell (2011).

Through the entire dissertation, the phrase “informal sector” has been used interchangeably with “informal economy” as they are inter-related and because informal economy is attributed to a greater range of activities than sector (Devey *et al.* 2006). The terms “informal trader”, “informal employment” and “informal business” are attributed to people who conduct businesses on a small scale; the majority operate from street pavements, generally selling rudimentary products and/or providing basic services (Willemse 2013).

1.5 Assumptions

The study assumed that informal markets play a significant role towards poverty and unemployment reduction and enhanced household food security. It was assumed that the factors mentioned in Figure 6.1 could affect the survival of informal street trading business enterprises and household-level food security status. Although data collected from the

informal markets have serious limitations (Adam & Pettenella 2012), like other studies, it was assumed that informal traders would be willing to participate and share their knowledge without fear and that the information gathered would contain a high degree of reliability.

1.6 Organisation of the thesis

This dissertation is made up of six chapters:

- Chapter 1 presents the background and the research problem the researcher intended to investigate.
- Chapter 2 presents a review of relevant literature on the informal sector and food security in global perspective.
- Chapter 3 describes the study area, outlines the methodology used in the study and describes how the research data were analysed.
- Chapters 4 and 5 present the findings of the survey with the aim of answering the research problem and its sub-problems.
- Conclusions and recommendations for possible future interventions are presented in Chapter 6.

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

The informal sector, poverty and food insecurity have been studied by many academics, private researchers and government officials; nonetheless, interventions could be many but success minimal in many countries. To recommend appropriate interventions towards poverty alleviation, unemployment and food insecurity reduction, this chapter attempts to document the contribution of informal sector to the reduction of poverty, unemployment and food insecurity in developing countries based on the review of pertinent literature on the topic.

As a point of departure, this chapter begins by highlighting current food insecurity status and its causes across developing countries, including South Africa. Secondly, it presents the evolution of the concept of the “informal sector” in order to understand its characteristics and the relationship between poverty, unemployment and food insecurity. Thirdly, the chapter documents the contributions of the informal economy to poverty reduction and household food security in developing countries. In supporting this argument, this chapter argues that the informal sector has the potential role to alleviate poverty, reduce unemployment and fight against food insecurity. The findings of previous studies provide benchmarks for validating this chapter.

2.1.1 The current status of food insecurity across the world

It has been more than 13 years since delegates from more than 189 countries, including South Africa, concurred on the universal declaration to eradicate extreme poverty and hunger by 2015 in Rome, Italy. These countries have been mandated to monitor their own progress with the assistance from the United Nations offices (Shoaf Kozak *et al.* 2012). Across 47 countries of sub-Saharan Africa, scientific evidence reveals that economic growth has been observed for the period of 2000–2009 (Charmes 2012), particularly in countries with relatively stable political systems (Spiess *et al.* 2013). However, high rates of unemployment and food insecurity, skewed economic structure, limited basic infrastructural facilities in all sectors of the economy and chronic poverty continue to symbolise the African region (Ikenna 2009; Oni *et al.* 2011; Sasson 2012). In 2006, the

Food and Agriculture Organisation (FAO) outlined that sub-Saharan Africa is the region with the highest percentage of people suffering from chronic hunger and living on less than US\$1 per day (FAO 2006; Shoaf Kozak *et al.* 2012). For instance, the situation is worst in other parts of Africa such as Malawi where 74% of the population lives on less than US\$1.25 a day, according to the International Federation of Red Cross and Red Crescent Societies (IFRCRCS 2013). According to Lorenzana and Mercado (2002), since the World Food Summit declaration of 1996, the nations, regional and local governments in developing countries are working together to resolve the problems of poverty, food insecurity and malnutrition.

However, the FAO has been tracking the progress in a number of undernourished people across 152 developing countries over the last 13 years (e.g., FAO 2006). A recent report reveals that the number of undernourished people remains absolutely higher than 40 years ago and it could increase in the near future (FAO 2012; Sasson 2012). The same article and scholar further demonstrate that world-wide between 868 and 925 million people were chronically undernourished in 2010–2012 due to extreme poverty. In this number, it has been scientifically acknowledged that the vast majority of undernourished people live in developing countries, particularly in sub-Saharan Africa (FAO 2012; Rosen *et al.* 2012; Shoaf Kozak *et al.* 2012; Bashir & Schilizzi 2013; Meade & Rosen 2013), most of them in rural areas and in outright poverty (FAO 2013). It has been documented that these people depend directly or indirectly on agriculture for their livelihoods and food entitlements (Bashir & Schilizzi 2013; Meade & Rosen 2013). Research in South Africa has shown that the role played by agriculture towards poverty reduction and achieving food security is imperative and effective (Machethe 2004; Kyei & Gyekye 2011; Musemwa *et al.* 2013).

There are many examples of food insecurity in sub-Saharan Africa and some of them have reached chronic and catastrophic dimensions (Sasson 2012). Therefore, various scholars argue and emphasise that various programmes targeted to alleviate poverty and food insecurity should be developed (e.g., Omotesho *et al.* 2010). However, this is not to say that those that have been implemented are not achieving their objectives.

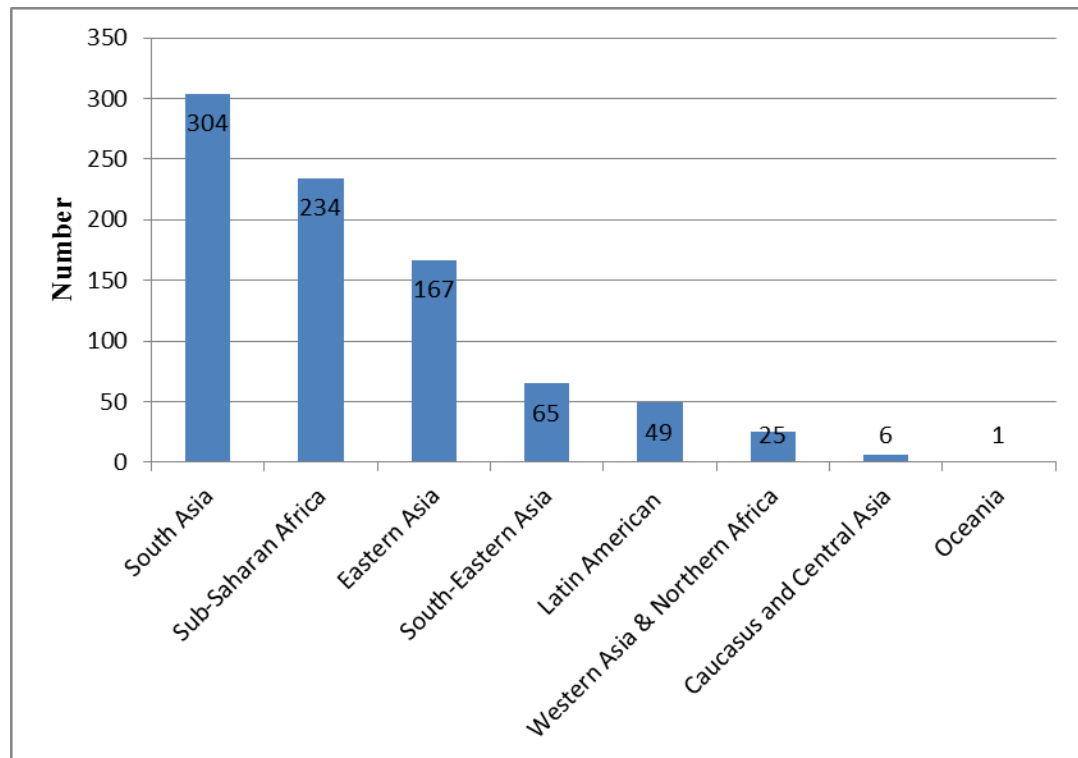


Figure 2.1 Distribution of number of undernourished people (million)

Source: Food and Agriculture Organisation (2012)

Figure 2.1 presents the most widely cited food insecurity figures for “undernourishment” generated by the FAO and derived from recent national-level food balance sheets (Barrett 2010). Based on this estimation, developing countries account for 98 per cent of the world’s undernourished people.

These figures clearly show that food insecurity is a concern world-wide. Most of countries particularly in sub-Saharan Africa are trying various food security programmes to mitigate the situation (Mwale *et al.* 2012). Authors argue that policy-makers need to pay much more attention to these people because they have the potential of transforming a nation into a developed state, but due to their nutritional deficiencies this remains challenging (Akerele *et al.* 2013). That is why the countries that met in Rome agreed that eradicating extreme poverty and hunger should be the first objective to accomplish for the achievement of food security for all (FAO 1996, cited in Lorenzana & Mercado 2002). Regions such as East Asia and the Pacific have achieved MDG 1 by decreasing the proportion of people living under extreme poverty from 54.7% to 16.8% between 1990 and 2005 (Shoaf Kozak *et al.* 2012).

Given the current food security status presented in Figure 2.1, the complexity of food security and the range of factors that affect food supply, the majority of scholars now concur that many countries will not achieve MDG 1 by 2015, particularly countries located in South Asia, Latin America, the Caribbean and sub-Saharan Africa (FAO 2006, 2012; de Graaff *et al.* 2011; Sasson 2012; Shoaf Kozak *et al.* 2012; Margulis 2013). For many years Africa has been looking for various alternatives to solving these fundamental challenges (Omotesho *et al.* 2010). However, even in the next years, empirical evidence shows that sub-Saharan Africa would remain the most vulnerable and food insecure region (Smith *et al.* 2000; Meade & Rosen 2013) unless some drastic measures are taken to ensure peace, improve governance and achieve the economic development required to reverse the current trend (FAO 2006 cited by Turyahabwe *et al.* 2013)

2.1.2 Food security in South Africa

Measurement of food security level, like the measurement of any other phenomenon such as poverty and unemployment requires a standard definition to be applied over time to properly determine trends. The birth of the food security concept happened in the 1970s during the period of food crises and has remained prominent since (van Zyl & Kirsten 1992; Bashir & Schilizzi 2013; Vink 2012; Margulis 2013). Historically, the concept was used to describe whether a country had access to enough food to meet dietary energy requirements (Pinstrup-Andersen 2009). In South Africa, food security received much attention after South Africa became a democratic country in 1994 (du Toit 2011). Since then, the concept has been used over time by different authors and organisations to mean different things for different people (Pinstrup-Andersen 2009; Bashir & Schilizzi 2013). The concept has changed considerably from supply to availability, reflecting a significant shift in perspective (Drimie & Ruysenaar 2010; Vink 2012).

Due to unsettled arguments about defining a unique food security concept, there are more than 200 descriptions and 450 indicators in the literature that define food security (Hoddinot 2001, cited in Abdu-Raheem & Worth 2011). These definitions are consequences of interactions of multiple agro-physical, socio-economic and biological factors that constitute the concept of food security (Riely *et al.* 1999, cited in Shisanya & Hendriks 2011) that change over a period of time (Modirwa & Oladele 2012). These factors differ significantly across countries, regions and social groups, and even within the

same country (Jacobs 2009; Bashir & Schilizzi 2013). According to Altman *et al.* (2009), these negatively affect policy-makers when documenting new policies. Because measuring food security is costly and challenging due to multi-dimensional character. Again, various countries employed various methodologies to access the level of food security and these methods yield different results (Hendriks 2005).

Even though numerous definitions exist, food security is broadly defined with reference to the 1996 World Food Summit definition which states that “food security exists when all people, at all times, at the individual, household, national, regional and global levels have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life” (Pinstrup-Andersen 2009, p 5; Barrett 2010, p 825). Various non-food security factors such as sanitary conditions, water quality and education also come into play (Pinstrup-Andersen 2009).

Scholars contradict each other about the understanding of this concept. Some scholars argue that the definition should be conceptualised as resting on three pillars, namely availability (physical presence of enough food to meet aggregate), needs access (ability to secure available food), and utilisation (Masuku & Sithole 2009; Barrett 2010; Bashir & Schilizzi 2013). Other authors incorporate stability as the fourth pillar (FAO 2006; Alemu 2010; Drimie & Ruysenaar 2010; Carletto *et al.* 2012; Misselhorn *et al.* 2012; Vink 2012). No matter what the definition is, the interactions and combinations of these pillars represent food security (Vink 2012). These four pillars further constitute the South African food constitution (Khoza 2008). Section 27(1)(b), 28(1)(c) and 35(2)(e) of the South Africa constitution argue that food is a basic human need. Therefore, everyone needs it to survive and has a right to sufficient food and water; and social security (du Toit 2011). An understanding of these pillars and distinctions dimension associated with food security are necessary for policy development and food security interventions (du Toit 2011).

Therefore, the government of South Africa has mandated various departments to implement programmes to fight food insecurity access problems with an expectation that food security levels would improve (Khoza 2008). However, empirical evidence reveals that the majority of individuals and households, particularly in rural areas, continue to experience difficulties with accessing food to meet their adequate nutritional requirements (e.g., Hendriks 2005; Modirwa & Oladele 2012; Lehohla 2012; D’Haese *et al.* 2013). Historically, the majority of the population has been living under these conditions (Rose &

Charlton 2002). As already mentioned, these conditions differ across rural areas of South Africa (du Toit 2011). Therefore, different strategies and plans are therefore necessary to address different levels of food insecurity. These are consequences related to structural poverty, unemployment and inequalities that distinguish South Africa amongst developing countries (Khoza 2008; Manyamba *et al.* 2012). Similar cases have been noted in the urban poor residing in the 11 largest cities of the Southern African Development Community (SADC) region (Crush *et al.* 2012) and in other developing countries (Vink 2012). These examples show that food security pillars are hierarchical in nature such that “adequate availability is necessary, but does not ensure universal access to sufficient, safe and nutritious food, whereas access to food is most closely related to social science concepts of individual or household well-being” (Barrett 2010); all three dimensions rely on the stability of food (Pinstrup-Andersen 2009). Consequently, a situation where people lack secure access to sufficient amounts of safe and nutritious food for normal growth and development and to live active healthy lives implies the prevalence of food insecurity (FAO 2012). Therefore, in line with this definition, a household is consider food secure if it can acquire reliably access to food in sufficient quantity and quality for all household members to enjoy a healthy and active life (Makaye & Munhande 2008).

Food insecurity consists of short and chronic dimension. Short term dimension causes the decline in the household’s access to sufficient food as a result of factors such as instability of food price, household income and household production. Whereas chronic dimension affect insufficient diet of food continually as a result of inability of the household to acquire sufficient food (van Zyl & Kirsten, 1992).

The Constitution of South Africa of 1996 (Chapter 2, Section 26 and 27.1b) states that every South African citizen has a right to sufficient food and water, as well as social security (Khoza 2008; Du Toit 2011; Sekhampu 2013). Yet not only in South Africa, in Africa, based on the interpretations of this definition, a very small percentage of the population could be described as being permanently food secure yet too many people on particularly in rural areas are unable to acquire and effectively utilize at all times the food they need for a healthy life (Vink 2012). For instance, from the food security definition perspective, South Africa has extremely high levels of food insecurity in certain areas of the country as compared to other upper-middle income countries (Tregenna 2008; Altman *et al.* 2009; Abdu-Raheem & Worth 2011; Frye & Kirsten 2012 Modirwa & Oladele 2012; Vink 2012; De Cock *et al.*, 2013). In their study, Bhorat *et al.* (2012) outline that these

trends continued to dominate the post-apartheid period. Scientific evidence shows that South Africa faces structural pervasive household food insecurity problems as a result of factors related to poverty, unemployment and lack of other sources of income (HSRC 2007; Altman *et al.* 2009; Abu 2012; Modirwa & Oladele 2012; Manyamba *et al.* 2012; Tshuma & Boyana 2013). According to Shoaf Kozak *et al.* (2012), these issues may limit the country's progress towards reaching the MDGs. Therefore, these conditions argue that policies and programmes implemented to address food insecurity issues to be evaluated and monitored. Altman *et al.* (2009) noted that there are no regularised ways of monitoring food security situation in South Africa. According to Mwale *et al.* (2012), these consequently leads to the inability to achieve household food security and poverty reduction objective.

For the majority of South Africans the level of food insecurity has continued to increase steadily since 1994. However, painting a broad picture of food insecurity in South Africa is not enough as the country comprises of various provinces with cultural diversity. Food insecurity in South Africa is not only widespread and persistent; it is disproportionately rural. Therefore, specific knowledge about the province experiencing food insecurity condition is needed to improve the situation. Limpopo province is the reference point as the province characterised by a large percentage of rural dwellers. For example, out of the 90% of people residing in rural areas of Limpopo province, 53% experience severe food insecurity conditions as a result of the poverty that is characteristic of the province (De Cock *et al.* 2013). These are the provinces that encompass the largest of the former homeland areas (Aliber 2003 cited by Neves & du Toit 2013).

Given this situation, it was interesting to note that the more food insecure a household is, the higher its probability to depend on the informal economy is and the less likely it is to utilise supermarkets (Crush & Frayne 2010: 29; Crush *et al.* 2012). For example, in a study conducted across 11 largest SADC region cities, approximately 70% of the urban poor source their food from informal vendors (Crush *et al.* 2012). Modirwa and Oladele (2012) noted a similar trend in South Africa. In 2001, Devereux and Maxwell (2001, cited in Sekhampu 2013) argued that food insecurity in South Africa was no longer a failure of food production at national level but a failure of accessibility at household and individual level. A similar ideological view was noted by Manyamba *et al.* (2012). Table 2.1 illustrates the evidence of households experiencing food insecurity in South Africa at national level.

Table 2.1 Percentages of food insecure households at national level

Year	Source	Percentage at national level
1999	Labadarios <i>et al.</i> (2005)	52% experience hunger, 23% at risk of hunger, 25% food secure
2010	Alemu (2010)	64% food insecure
2011	Du Toit (2011)	20–52% food insecure

Although the percentages presented in Table 2.1 provide important information for policy-makers about the food insecurity situation at the national level, they do not provide reliable representative information at the household level. Numerous studies conducted in South Africa demonstrated that food insecurity is unevenly distributed (Madzwamuse 2010) in terms of spread and intensity and differs across geographical, race, gender and age groups (Stavrinides 2002; Armstrong *et al.* 2008; Lehohla 2012). Therefore, it is important to gather this information in small municipalities as their circumstances and vulnerabilities are substantially different from those of larger geographical areas (Gyekye & Akinboade 2003; Toledo *et al.* 2012).

According to van Zyl & Kirsten (1992), knowing who are food insecure assist when designing policies or reviewing intervention how to uplift their living standard and addressing problems they face. Alemu (2010) used monthly household expenditure to assess levels of food insecurity across nine provinces of South Africa and categorised the status of food insecurity in all nine provinces of South Africa (Figure 2.2). As can be seen from the figure, when comparing food security status across all nine provinces, Limpopo province was reported as the most vulnerable province with 78%, followed by the Eastern Cape (76%); North West province (76%) and Mpumalanga (76%). All these provinces are predominantly characterised by rural areas (Gyekye & Akinboade 2003; Bhorat *et al.* 2012). This is because these provinces have remained largely underdeveloped since the advent of democracy. Interestingly, it has been noted that in all these provinces, large numbers of people rely on the informal sector to sustain their livelihoods (Wills 2009).

Confirming the information established by Alemu (2010), several studies concluded that the situation at community and household level was far less positive (Altman *et al.* 2009; De Cock *et al.* 2013), as they have to deal with the high risk of inadequate access to food (Gyekye & Akinboade 2003; Ndhlele *et al.* 2012).

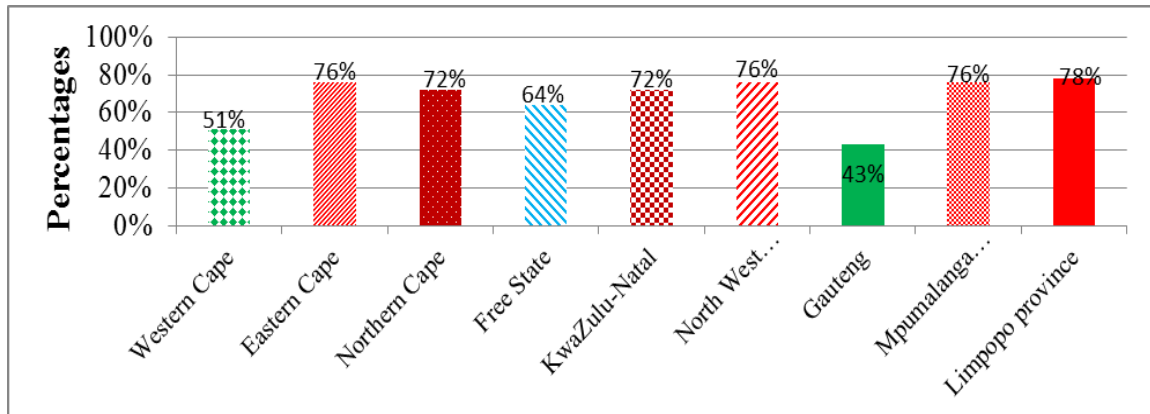


Figure 2.2 Percentage of food insecure people by province

Source: Alemu (2010)

Table 2.2 Comparative studies in household food insecurity in Limpopo province

Authors	Sample size	Household Food Insecurity Access Prevalence categories			
		Food secure	Mildly food insecure	Moderately food insecure	Severely food insecure
D'Haese <i>et al.</i> (2011)	600	14.5%	5.8%	25.9%	52.4%
Adong (2012)	591	14.8%	5.9%	26.2%	53.1%
Sakyi (2012)	600	15%	6%	26%	53%
De Cock <i>et al.</i> (2013)	600	14.8%	5.8%	26.4%	53.1%

The percentages presented in Table 2.2 demonstrate the extent to which the problem of food insecurity has persisted within Limpopo province. What is interesting is that all

scholars noted similar results, particularly on households experiencing severe food insecurity problems. A debate on the definition of food security in South Africa has been a continues one in which several approaches in measuring the trends have emerged. Due to the large number of methodologies, scholars argue that the method selected to analyse food security depends on the purpose of a study, the availability of data and the background and preference of the analysts (du Toit 2011; Regassa 2011). Consequently, these methods yield different results (du Toit 2011). This makes drawing conclusions difficult because each study used different methodologies and obtained different results (De Cock *et al.* 2013).

The Household Food Insecurity Access Scale (HFIAS) has been used in a range of studies in South Africa (Shisanya & Hendriks 2011; Adong 2012; Sakyi 2012; Rudolph *et al.* 2012; Ruysenaar 2012; Baiyegunhi & Makwangudze 2013; De Cock *et al.* 2013; D’Haese *et al.* 2013) and in other countries (e.g., Swindale & Bilinsky 2009). Coates *et al.* (2006) argue that the HFIAS provides a very useful summary measure for targeting programmes at the population level, for monitoring the household food insecurity situation in an area over time, and for evaluating the impact of interventions.

To be in line with and track changes in food security in previous studies, this research project adopted a recent improved version of the HFIAS, developed by Food and Nutrition Technical Assistance Project (FANTA). The HFIAS score is a continuous measure of the degree of food insecurity in the household. The instrument consists of nine generic questions (Coates *et al.* 2007). According to Shisanya (2008) and Chatterjee *et al.* (2012) the HFIAS is the most recently developed tool that has been used successfully to measure household food insecurity. In addition, it is the only tool that measures directly experience of food insecurity, rather than using proxy measures such as food availability or anthropometry. Regassa (2011) outlined that it is possible to observe how much food security is a concern for community members when using the HFIAS. In 2008, the FAO (cited in D’Haese *et al.* 2013) added that the methodology and analysis of data were easier compared to other methodologies such as food intake recalls and anthropometric measures. However, it has its limitations: where food assistance is frequently distributed, respondent bias may be an issue and households might over-report food insecurity with the expectation of receiving assistance (Coates *et al.* 2006). To obtain data of this study, a mixed research method was adopted. However, there was a skewed priority as quantitative and primary data had more weight in this research. Creswell (2003: 212) and other scholars

noted that employing both approaches was getting recognition among scholars, particularly graduate students, due to the following benefits:

- The quantitative method assists researchers to explain the relationships between the research problem and the hypothesis in the form of numerics (Garr 2010).
- The qualitative method provides new data and better understanding of the studied population with a view to creating more appropriate policy to improve social and economic development (Oosthuizen 2008; Walsh 2010).
- Applying both methods makes it easy and flexible for respondents to arrive at answers (Gopaul 2006).
- Applying both methods enables the researcher to determine the perceptions, conceptions, opinions and social relations pertaining to respondents' concepts, practices and life dynamics (Lalthapersad-Pillay 2004; Kadenyaka 2012).
- Employing both research methods helps to enhance the degree and credibility of research results through triangulation, as well as complementing each other (Jiyane *et al.* 2012).
- Triangulation is defined as a validity procedure where researchers search for convergence among multiple and different sources of information to form themes or categories in a study (Creswell & Miller 2000).

2.1.3 Poverty and food security in urban areas of South Africa

Even though poverty, unemployment and food insecurity have been largely considered to be rural phenomena, a study across the 11 largest cities in the SADC region reported that 57% of the surveyed households were severely food insecure (Crush *et al.* 2012). A similar situation was noted in South Africa by Labadarios *et al.* (2005) and Pauw (2005). A study by Rudolph *et al.* (2012) argues that the level of poverty and food insecurity is unacceptably high in urban areas.

A number of surveys have highlighted high levels of food insecurity in urban areas in South Africa (e.g., Leibbrandt *et al.* 2010). For instance, in a wealthy province such as Gauteng, approximately 56% of the households in the province are considered to be food insecure; 27% are reported to be severely food insecure (Rudolph *et al.* 2012). In Cape Town, according to Battersby (2011), 80% of urban residents are classified as moderately

or severely food insecure. In South African urban areas, food insecurity has been documented as the failure of households to be able to access food (Battersby 2012).

2.1.4 Causes of poverty and food insecurity

There are many reasons behind the high levels of poverty and food insecurity in sub-Saharan Africa (e.g., Smith *et al.* 2000; FAO 2006; Alemu 2010; Barrett 2010; Lukhele-Olorunju 2012; Kwasek 2012; Rosen *et al.* 2012; Sasson 2012; Demi & Kuwornu 2013; Drimie & McLachlan 2013). These factors may differ from region to region (Omotesho *et al.* 2010). While several reasons can be given for the causes of poverty and food insecurity, it is believed that poverty, inequality and unemployment are the principal causes of food insecurity (May 1998; Motlouning & Mears 2002; Oni *et al.* 2011; Modirwa & Oladele 2012; Shoaf Kozak *et al.* 2012). Due to these relationships, Abdu-Raheem and Worth (2011) argue that both trends should be addressed simultaneously. For example, limited employment opportunities especially for low-skilled and unskilled people has been found to be strongly impacted on poverty trend in South Africa (Motlouning & Mears 2002).

Food insecurity in developing countries, particularly in Africa, is attributed to the inability of people to acquire access to sufficient food (Abu 2012). In addition, unsettled conflicts and civil war, political instability, catastrophic floods and severe droughts, high external debt and the rapid rise and spread of HIV/AIDS pandemic and unemployment are some of the major cause of poverty and food insecurity (Masuku & Sithole 2009; Kuwornu *et al.* 2011; Lokosang *et al.*, Nyakurimwa 2011: 16; Misselhorn *et al.* 2012; Spiess *et al.* 2013), and inadequate food production (Sasson 2012). Statistics show that roughly 40–50% of the population is living without adequate means of survival as a result of extreme poverty in Africa (United Nations Economic Commission for Africa 2010: 7; Wilson 2011). Not only access to food problem, many Sub-Saharan Africa countries still face national food availability problems (Smith *et al.* 2000).

In South Africa, several studies concurred that poverty and food insecurity are the consequences of colonialist history and apartheid, high income inequality (amongst the most highly skewed in the world), increases in the cost of electricity and oil, unemployment, gender of the household, number of dependents living in the home, the age of the household head, size of the household, marital status of the women and men in the household, the age mix of the household and the geographic area (Stavrinides 2002; Motloun & Mears 2002; Altman *et al.* 2009; Labadarios, *et al.* 2009; Ruiters & Wildschutt 2010; Madzwamuse 2010; Van Der Berg 2010; Abu 2012; Cloete & Idsardi 2012; Manyamba *et al.* 2012; De Cock *et al.* 2013). In addition, the situation has been aggravated by the ever-increasing level of the HIV/AIDS epidemic and other pandemics that harm economically productive sections of the society (Alemu 2010; de Graaff *et al.* 2011). According to Madzwamuse (2010) and Tshuma (2012), half of South African citizens still live in appalling conditions even though South Africa is regarded as a middle-income country. Apparently, since 1994, the levels of poverty, food insecurity, unemployment and economic inequality have increased rather than diminished. Some of these causes may influence food security and poverty, particularly causes such as socio-economic characteristics (Omotesho *et al.* 2010). South Africa, instead of advancing to become a developed country is degenerating into one of the poorest countries of the world. For example, the majority of households living in poverty live on less than R1 500 per month, particularly households in Limpopo province. Conspicuously more and more people are becoming vulnerable to hunger and food insecurity every day. These

households are eligible for a Free Basic Services package to enable them to break the cycle of poverty (Bhorat *et al.* 2012). From policy point of view, to improve food security situation, understanding of causes of food insecurity at the initial stage of any interventions aiming to eliminate food insecurity is required as this contribute to formulation of effective policies (Smith *et al.* 2000). The same author further suggests that a myriad of food insecurity interventions could be valuable in reducing or eradicating food insecurity.

2.2 Evolution of the informal sector concept

Four decades ago, British anthropologist Keith Hart coined the concept of the “informal sector” in one of his series of academic studies in Accra, Ghana (Devey *et al.* 2006; Ligthelm 2006; Skinner 2006; Yaw 2007; Varshney 2011; Charmes 2012; Yu 2012). This followed after he discovered that half of poor Ghanaian citizens were making their livelihoods through a range of subsistence varieties of economic activity, all accommodated by the term “informal sector” (Simon 2007; Wrigley-Asante 2012). A year later, the International Labour Organisation (ILO) mission in Kenya popularised the informal sector concept (Bangasser 2000). In South Africa, the sector has received more recognition from academia in the last two decades (Blaauw 2005).

The concept of informal sector has been defined and debated in various ways to refer to different things without much change in the basic concept, particularly in developing countries (Ligthelm 2006; Chen 2010; Yu 2012) and especially so in sub-Saharan Africa (Misati 2010). This debate has resulted in a lack of accurate estimates of the numbers of people participating in the informal economy, particularly informal street traders, and further complicates the policy-making process. At the moment, there are up to 30 interchangeable definitions used to define the informal sector documented in the literature. Some of these terminologies include “unofficial”, “shadow”, “hidden”, “underground” and “illegal”, “unrecorded” and “unreported” sector (Greenidge *et al.* 2009; Timofeyev 2012; Webb *et al.* 2013). All these definitions are used interchangeably to describe the same phenomenon.

Brynard (2011) argued that the implementation of appropriate policies requires the proper definition of the problem; to avoid contradictions of these concepts, the majority of scholars therefore apply Keith Hart’s concept as a reference point to articulate the purpose of their studies. Similarly, in this research study, the informal sector is defined as all

economic activities that consist of businesses activities that are not registered in any way and operate outside the formal sector, are generally small in nature, are run from homes, street pavements or other informal arrangements according to Valodia and Devey (2012). This concept is in line with the South African informal economic activities.

2.2.1 Characteristics of the informal sector

While various definitions exist, it has generally been acknowledged that the sector is characterised by a high degree of heterogeneity, in the sense that the various activities differ in their productivity, their employment relations and their economic potential (Lund & Skinner 2003; Skinner 2006, 2008). Drawing from various definitions, there are many characteristics associated with the sector. The widely accepted physiognomies have been documented by the ILO in its Kenya Report of 1972–1997 (Bangasser 2000; Geetika *et al.* 2011; Varshney 2011), namely,

- Ease of entry;
- Reliance on indigenous resources;
- Family ownership of enterprises;
- Small scale of operation of labour-intensive and adapted technology;
- Skill acquired outside of the formal school system;
- Unregulated and competitive markets;
- No formal record keeping; and
- Low fixed cost.

It should be noted that the informal sector presents different characteristics in different countries (Ruffer & Knight 2007). All these characteristics painted a picture of informal sector in South Africa. According to Valodia and Devey (2012), some of these characteristics have been used by Statistics South Africa to obtain estimations related to informal employment in South Africa.

2.2.2 Knowledge of informal street traders regarding operating small business enterprises

Education features prominently amongst the eight MDGs as an imperative primary weapon to fight poverty. Smith *et al.* (2000) further outline that investing in the human capital such as education attainment and health care are powerful weapon to eradicate poverty following equitable economic growth. Not only fighting poverty, but the success of any business enterprise and the opportunities of earning a higher income lie with education (Kyei & Gyekye 2011; Tshuma & Boyana 2013). With regards to the education of people engaged in informal street trading, evidence shows that the majority of individuals engaged in the informal sector, particularly street trading, are not equipped with enough education and skills to operate their business (Jiyane & Mostert 2008; Horn 2011; Mashau *et al.* 2012; Modirwa & Oladele 2012).

As this study is related to food security, education does not only play a significant role in the growth of the business, it further enhances household food security (Alemu 2010; Owino *et al.* 2013; Akerele *et al.* 2013).

2.3 The informal sector in South Africa

Having studied the evolution of the informal economy and understanding its characteristics, it is now clear that informal markets are prevalent in every town and city of South Africa. In 2003, former president Thabo Mbeki when addressing the National Council of Provinces, argued that South Africa is characterised by a dualistic economic structure (Valodia & Devey 2012). This suggests that the country consist of both a first and a second economy (Devey *et al.* 2006; Skinner 2006). The first economy is characterised by developed infrastructures, is incorporated with the global economy and produces the bulk of the country's wealth. According to Kingdon and Knight (2007), these are middle-income characteristics. The second economy is dominated by unemployed people with poor educational levels and is less developed; it incorporates the poorest of the rural and urban poor. Most of the people in this type of economy engage in the informal sector to escape poverty and unemployment challenges. This type of economy structure is quite common in many developing countries (Mbeki 2003, cited in Ligthelm 2006). Nevertheless, Madzwamuse (2010) noted that issues related to the second economy are often overshadowed or forgotten.

Despite the dualistic nature of the South African economy, it is well acknowledged that the informal economy constitutes an important part of the country's economy (Ligthelm 2006). Several scholars have noted that in comparison with that of middle-income countries, the informal sector in South Africa is relatively smaller than elsewhere in sub-Saharan Africa despite the persistence of high poverty and unemployment level, but that its contribution is significant (Skinner 2006; Bargain & Kwenda 2011; Davids 2011). Kingdon and Knight (2007) describe South Africa as an international outlier country due to the size of its informal sector.

Kingdon and Knight (2004) raise an interesting opinion with regard to South African unemployed citizens who choose to remain unemployed rather than join the free-entry informal self-employment sector. However, there are numerous empirical ideologies why the informal sector is small in South Africa (e.g., Altman 2008; Lund and Skinner 2003 cited by Neves & du Toit 2013). Kingdon and Knight (2007) argue that the growth of the informal sector is hindered by high crime, lack of access to finance, poor organisation and lack of education and training, and insufficient government support to promote the informal sector. Davies and Thurlow (2010) and Valodia (2013) argue that laws under the apartheid system played a significant role, as well as various other reasons such as a well-developed formal sector and barriers to entering the sector. It has been well acknowledged that limited availability of essential services such as electricity, training, sanitation facilities and microfinance assistance are the major contributors to the underdevelopment of informal businesses (Adam & Pettenella 2012). These reasons are similar to those that systematically impede the growth of smallholder agriculture in South Africa (Neves & du Toit 2013).

As in other countries, the informal sector in South Africa encompasses diverse economic activities (Lalthapersad-Pillay 2004). The diversity of these activities illustrates some form of relationship with the formal equivalent (Valodia & Devey 2012). These activities range from small commercial activities to small production and service enterprises such as taxi operators and door attendants for taxis and buses, parking attendants (car guards at shopping centres and companies), food sellers and street hawkers (fruit, vegetables and fast foods), street vendors (those selling new and second-hand clothes in the streets), craftwork (weavers, beaders and crafters) and miscellaneous activities (those who sell airtime, children's toys, hangers, medicinal tablets and keypads) (e.g., Ligthelm & van Wyk 2004; Devey *et al.* 2006; Jiyane *et al.* 2012).

2.4 Informal street traders

Informal street trading is a phenomenon prevalent throughout South Africa (Wills 2009; Sidzatane & Maharaj 2012). Many scholars have examined the profile of street traders, owing to the significant increase in unemployment numbers (Lalthapersad-Pillay 2004; Campbell 2011 Sidzatane & Maharaj 2012). Street traders are defined as people who belong to the informal economy and operate their business alongside the streets (but can be found operating their business under different circumstances such as in an open space without shelter), selling different types of commodities such as broomsticks, cane baskets, utensils, petty cosmetics, bangles and horticultural products (Geetika *et al.* 2011; Mutala 2008; Sidzatane & Maharaj 2012). Similar trends on the types of commodities they trade with has been noted in Gweru city of Zimbabwe (Makaye & Munhande 2008). In South Africa, they make up a large percentage of informal workers (Sidzatane & Maharaj 2012). From a gender perspective, the majority of street traders are African women (Lalthapersad-Pillay 2004).

2.5 The contribution of the informal sector to poverty and unemployment reduction and food security

The informal sector is nothing original in sub-Saharan Africa (Spark & Barnett 2010), as the sector has been researched in most countries (Imani 1993, cited in Bukaliya & Aleck 2012). These studies also document the contribution of the informal sector in those countries. However, research shown that the contribution of the sector varies from country to country (Bantubonse 2008; Crush & Frayne 2010: 27, 28; Charmes 2012; Chen 2013). When addressing food insecurity crises, particularly in developing countries, it is crucial to focus on an area in which the majority of people source their livelihoods. Therefore, it is important to evaluate these contributions in order to alert policy-makers to recent trends and to comprehend the lives of people in, as well as to understand the nature of, the informal economy of developing countries (Goto & Mano 2012).

2.5.1 The informal sector as a source of employment in developing countries

Since the 1970s, working in the informal sector has grown dramatically, particularly in developing countries. This is as a result of population growth, an inability of the formal sector to generate employment opportunities, poor educational qualifications, political

restructuring and instability due to war (Makaye & Munhande 2008; Brown *et al.* 2010; Misati 2010; Sidzatane & Maharaj 2012). Available statistical evidence across developing continents shows that it is in sub-Saharan Africa where the highest percentage of people depend on the informal sector due to various factors (Ruffier & Knight 2007; Brown *et al.* 2010; Masonganye 2010; Misati 2010 Jiyane *et al.* 2012; Valodia 2013). However, the performance of informal economic activities in this region has not been up to expectations and has been characterized over the decades by disadvantageous harmful conditions such as poor hygienic system and lack of storage facilities. In light of these conditions, informal sector still offers opportunities to break poverty cycle (Makaye & Munhande 2008).

The results of a study conducted across 162 countries from 1999 to 2007 reveal that the informal sector in developing countries accounts for one-half to three-quarters of non-agricultural employment in developing countries (Chen 2010). For instance, in countries such as Kenya, Lesotho, Mali, Mozambique, Zambia, Cameroon and Zimbabwe, approximately 70–80% of the population sustain their lives and livelihoods through engaging in non-agricultural employment in the informal sector (Charmes 2012). Ligthelm and Van Wyk (2004) outline that employment in the informal sector is growing at a rate of 7% per annum in Africa. These are some of the reasons why developing countries should pay serious attention to informal economic activities.

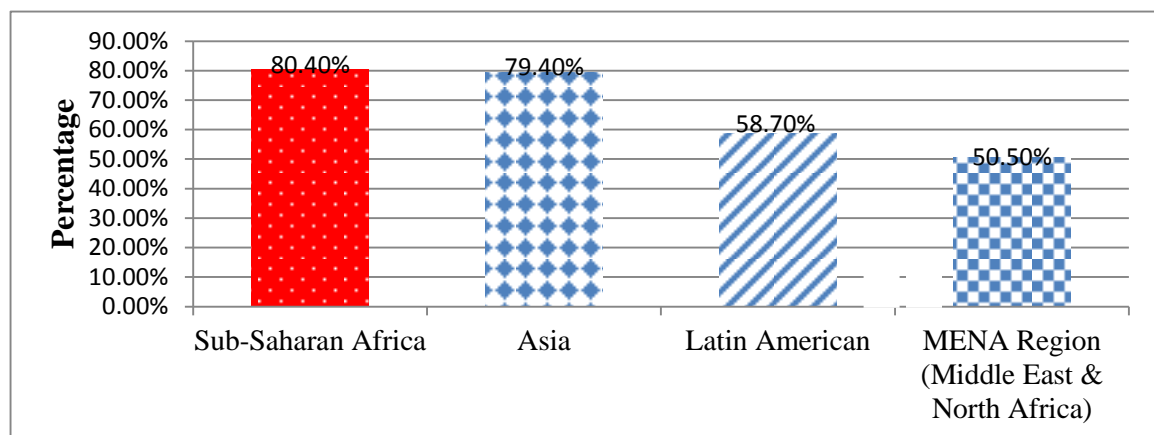


Figure 2.3 Comparison of employment in the informal sector across developing countries

Source: Charmes (2012)

As illustrated in Figure 2.3, the contribution of the informal sector toward employment generation to alleviate poverty is substantial in many developing countries. It is important to note that in most statistical estimations concerning the number of people working in the informal sector in the sub-Saharan region, South Africa and Botswana are excluded (Davids 2011). If these countries are considered in the calculations, the percentage estimated to be between 70 to 80 percent of non-agricultural employment (Charmes 2012). Against this background, these figures show that the informal economy can be an effective means of reducing unemployment.

Surviving through income earned in the informal sector does not occur only in developing countries. Devey *et al.* (2006) and Makaye and Munhande (2008) argue that even in developed countries, a small percentage of people (15%) are employed in the informal sector. Owing to current challenges faced by most of the people in developing countries, the informal sector could be the most effective way to reduce poverty and unemployment and enhance food security (e.g., Adam & Pettenella 2012).

2.5.2 The informal sector as a source of employment in South Africa

The South African population is growing at an exceptional rate and creating employment opportunities for this growth remains challenging. Given the empirical evidence, based on the official commonly used narrow unemployment definition, the rate of unemployment in South Africa is remarkably higher even than those of most of the emerging countries (Kingdon & Knight 2007; Lehohla 2010). Currently, the unemployment rate is estimated to be 30.5% of the population (Madzwamuse 2010). Limpopo province has been documented as a victim of this trend (Kyei & Gyekye 2012). The issue of unemployment is therefore a serious matter of concern, as it affects almost a quarter of the labour force, particularly among non-whites (Kingdon & Knight 2004; Blaauw 2005; Wills 2009; Patel 2012; Sidzatane & Maharaj 2012), and it is likely to result in catastrophic impacts on the level of poverty and food insecurity (Motloun & Mears 2002; Crush & Frayne 2010; Crush *et al.* 2012). These unemployment crises further support the argument of the study that supporting informal business enterprises can be used as an intervention to combat poverty and unemployment in South Africa. Creating decent employment opportunities for women and men is one of the critical issues supporting MDG 1 (Shoaf Kozak *et al.* 2012).

Causes of high unemployment in South Africa are comparable to those in other developing countries, namely an underperforming formal sector and barriers to entry in the formal sector (Davies & Thurlow 2010; Sidzatane & Maharaj 2012). Many people, particularly those who are unemployed and have a minimum level of education, are forced to explore opportunities that could reduce their household vulnerability. Since the formal sector tends to employ educated workers, uneducated people turn to join the informal sector because of the low qualifications required (Martins 2006; Masonganye 2010; Goto & Mano 2012). It is therefore not surprising that a large number of illiterate people engage in informal street trading; evidence reveals that there is a positive relationship between informal street traders and the level of education at which they left school (May 1998). Interestingly, not only in South Africa do people venture into the informal sector after failing to secure formal employment (Blaauw 2005): a similar trend was noted in Sudan (Adam & Pettenella 2012).

During the period of racial segregation, informal trading was strictly controlled in South Africa (Kingdon & Knight 2007; Willemse 2013). This is no longer the case (Holness *et al.* 1999). As many people struggle to make a living, the numbers of people entering the informal sector keep growing each year; the majority of these are women (Lalthapersad-Pillay 2004; Skinner 2008; Crush & Frayne 2010). Several scholars argue that the informal sector is one of the fastest-growing sources of employment in South Africa (Ligthelm 2006; Kingdon & Knight 2007; Abdulla 2008; Mutala 2008; Mostert 2010; Davids 2011; Jiyane *et al.* 2012; Sidzatane and Maharaj 2012). Currently, statistical distributions show that the sector contributes 22.3% of total employment (Davies & Thurlow 2010). These confirms the relative importance of the informal economy to employment generation.

Surprisingly, this growth has not been accompanied by a corresponding improvement in household food security status, as noted previously in this chapter and Chapter 1. Apparently, studies on informal street trading and food insecurity are very scarce in South Africa. As a consequence, it is difficult for policy-makers to implement targeted interventions. For instance, in 2003, the informal sector generated 23% of employment, according to Statistics South Africa (cited by Mayrhofer & Hendriks 2003). Currently, it is reported that the sector generates 32.7% of non-agricultural informal employment (Charmes 2012). Despite this growth, it seems to be much more difficult for people engaged in the sector to evade poverty, owing to inadequate basic services required to operate their business (Crush & Frayne 2010: 16) which are powerful weapon to eradicate

poverty. Valodia and Devey (2012) argue that the failure of old and current policies are the main causes of high unemployment and the growth of the informal sector in South Africa. Varshney (2011) and Crush and Frayne (2010: 37–38) argue that removing the constraints faced by the sector and supporting the sector with relevant services by government could positively contribute to the growth of the informal sector.

After the death of apartheid, several studies indicated that migrants are also playing a crucial role in the growth of the informal sector (Bantubonse 2008; Jiyane *et al.* 2011; Jiyane *et al.* 2012; Willemse 2013). For instance, Manyamba *et al.* (2012) and Sidzatane and Maharaj (2012) noted that for the past few years the number of legal and undocumented migrants from African countries increased tremendously. Those without proper permits are forced to rely more and more on their own resources. Most of these migrants end up participating in informal street trading in order to sustain their livelihoods (Vearey *et al.* 2010; Willemse 2013). This suggests that interventions to combat poverty and unemployment should be largely directed at informal street trading.

2.5.3 The contribution of the informal sector to the economy in developing countries

The informal sector is important not just as a source of employment. From an economic perspective, the contribution of the informal sector to the economy of most of the developing countries is significant. Several scholars noted the crucial role played by the informal sector in developing countries (Lalthapersad-Pillay 2004; Misati 2010; Bargain & Kwenda 2011; Adam & Pettenella 2012; Charmes 2012; Sidzatane & Maharaj 2012). For example, in countries that have been hit by economic crises, informal sector activities act as a self-help welfare scheme (Adam & Pettenella 2012).

Figure 2.4 shows a comparison of the contribution of the informal economy to the gross domestic product (GDP) by region. As is the case with the role played by the informal sector in employment creation, the contribution of the sector to GDP varies from country to country (Charmes 2012). The likely explanation is that countries apply methodologies to estimate the contribution of the sector toward GDP. Again, South African and Botswana are omitted in the calculation. If these two countries are considered, the contribution of the informal sector rises to 63.6% in sub-Saharan Africa (Charmes 2012). Although the contribution of the informal sector to the GDP of developed countries is not indicated in Figure 2.4, it has been acknowledged that the sector makes a huge contribution to the

economy of those countries (Varshney 2011). For example, in Russia, Timofeyev (2012) outlined that the informal sector plays a significant role in the economy and that since the beginning of its transition, the informal sector has increased rapidly.

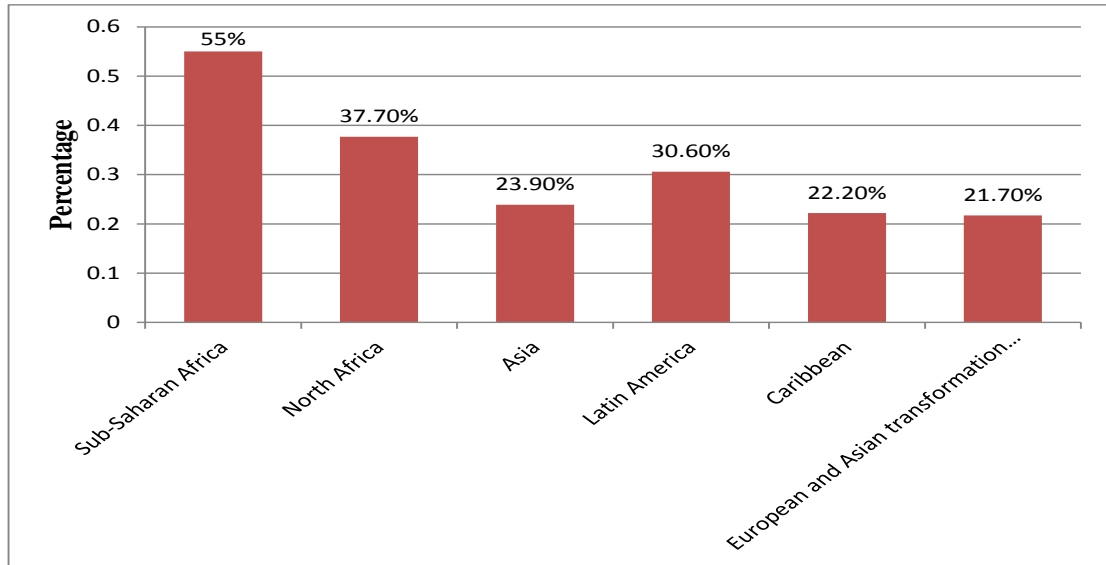


Figure 2.4 Comparison of the contribution of the informal economy to the gross domestic product (GDP)

Source: Charmes (2012)

2.5.4 The contribution of the informal sector to the South African economy

As already mentioned, the informal economy constitutes an important part of the South African economy (Ligthelm 2006; Mutala 2008; Sidzatane & Maharaj 2012). In 2004, it was estimated that the informal sector contributed 4.6% to the GDP of the country (Ligthelm 2006). In a narrow definition, current trends indicate that the quantity of output generated by the informal sector is estimated to range between 7.1% and 11.1% in South Africa (Valodia 2006; Altman 2008; Wills 2009; Davies & Thurlow 2010). Even though the sector is associated with activities from tax evasion to witchcraft and low income (Hobson 2011), Skinner (2008) argues that activities hosted by the informal sector contribute significantly to the gross geographic product of the country (Ngiba *et al.* 2009). There is no uncertainty that with more support, this sector could contribute more to the national GDP, reducing the poverty and employment crises.

2.5.5 The contribution of the informal sector to food security

World-wide, the contribution of the informal sector to food security is significant and has been widely acknowledged (Jiyane & Mostert 2008; Skinner 2008; Blades *et al.* 2011; Steyn *et al.* 2011). Evidence from West African countries (Hitimana *et al.* 2011) and southern Africa (Crush & Frayne 2010) shows that the majority of households derive their income from economic activities hosted by the informal sector. In southern Africa, research has shown that informal sector street trading plays an important role (Crush & Frayne 2010:15). In this region, nearly a third of households source their food from informal markets and street vendors on a daily basis. For example, approximately 95% of poor households in Blantyre and Maputo buy food in the informal sector (e.g., Crush & Frayne 2010: 28). In South Africa, studies conducted in Cape Town (Battersby 2011) and Johannesburg (Vearey *et al.* 2010; Rudolph *et al.* 2012) reported that the majority of food insecure households depended on the informal markets as sources of food. A similar case was in Zimbabwe in the urban poor settlement of Epworth where 95% of the urban poor reported that they obtain their food from informal markets (Tawodzera 2011). Statistics reported by the FAO (cited in Gadi *et al.* 2013) show that 2.5 million people depend on street food on a daily basis.

The sector also supports people who work far from home and have to travel long distances to their places of work. In this case, it may be difficult for them to have regular meals at home; therefore, ready-prepared, accessible food at a low cost helps them meet their immediate needs (Steyn *et al.* 2011; Rudolph *et al.* 2012). Those commodities are provided in quantity and at affordable prices while still being of comparable quality (Martins 2006; Bantubonse 2008; Ligthelm & van Wyk 2004; Masonganye 2010; Steyn *et al.* 2011). The combinations of food sold by vendors provide consumers with adequate opportunity to meet their daily nutritional requirements at an affordable price (Namugumya & Muyania 2011). In South Africa, some of the items sold by street vendors contribute to dietary energy and protein intake, particularly for those who consume it often (Steyn *et al.* 2011). Makaye and Munhande (2008) reported that the vulnerability of households surviving through the informal sector in Gweru City in Zimbabwe was minimal. Similar results were reported in Mwanza City in Kenya (Fausto & Kilobe 2007), India (Bhowmik 2005) and South Africa (Abdulla 2008). Woodward *et al.* (2011) found that in addition to informal street trading, other informal sector activities such as “spaza shops and sheebens” also play a key role in South African poor communities as they increase the accessibility of

commodities. These results suggest that without the informal sector, particularly street trading, many households would have been food insecure and experiencing chronic hunger and further reiterate the importance of strengthening the sector in order to achieve MDG 1.

2.6 Chapter summary

There is extensive literature on the informal sector, poverty and food insecurity in developing countries, particularly sub-Saharan Africa. Data presented in this chapter have shown that, sufficient food is produced in many countries; however, the number of undernourished people remains obstinately high in sub-Saharan Africa. Therefore, from the perspective of meeting the first MDG of eradicating extreme poverty and hunger by 2015, it appears that achieving food security will continue to be a challenge, especially in the developing countries of sub-Saharan Africa, Latin America and the Caribbean, as compared to most of the developed countries (Shoaf Kozak *et al.* 2012). These are the countries where food insecurity has reached extreme intensity and caused great loss of life. However, the causes of poverty and food insecurity remain the same and inadequate access to food has been documented as the major cause world-wide (Smith *et al.* 2000). Poverty has been documented as a significant cause of food insecurity across the world. South Africa has made tremendous progress towards meeting the MDGs but on the other hand continues to experience major challenges with reducing income inequality and unemployment and ensuring that the majority of the population are food secure at the domestic level. In fact, the anticipated results since 1994 have not been achieved. Majority of projects and interventions implemented to address challenges face the country are unable to make significant impact to their objectives grounded on the level of unemployment, income inequality, poverty and food security.

Despite large number of households living in a food insecure state and the fact that individuals sustain their livelihoods through the informal sector (Neves & du Toit 2013), the debate about the definition and meaning of food security and the informal sector continues. The multi-dimensional nature of these concepts will always result in a difference of opinion between scholars. These negatively affect policy-makers when documenting new policies. Unemployment and a high incidence of poverty continue to characterise the African continent. Both trends has a direct effect on the extent of food insecurity among poor household in South Africa and in other countries. The informal

economy – particularly street trading – remains the only alternative for the majority of unemployed people and poor households to earn a living. Grounded on the review of relevant literature, without income from this sector, many households would have been food insecure and suffering chronic hunger (Abdulla 2008; Crush & Frayne 2010: 28–39; Woodward *et al.* 2011). The informal economy also plays an important role for the growth of the economy particularly in developing countries.

CHAPTER 3: RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents a general overview of Limpopo province and of the area in which the research was conducted. The importance of documenting an overview of the study area is to provide an understanding the interrelated linkages between the socio-economic, economic and institutional profiles and different economic sectors of the province when it comes to the development of an institutional framework that will promote development within the area (Cloete 2010). The main purpose of this research was to examine the contribution of the informal sector, particularly street trading, to poverty alleviation and household food security. This chapter presents the techniques that were adopted to capture research data.

3.1.1 General description of Limpopo province

Limpopo province is one of the nine provinces of South Africa and forms the northern part of the country. The province borders Botswana, Mozambique and Zimbabwe (Ladzani & Netswera 2009: 229; Kyei & Gyekye 2012). Poverty, unemployment and income inequality in the province distinguish it from other provinces (Gyekye & Akinboade 2003; Pauw 2005). Through observation, income inequality can be seen prominently between the urban and the rural population, as the rich continue enriching themselves, while those already living in poor conditions continue experiencing poverty. Statistics show that close to 90% of citizens reside in rural areas (De Cock *et al.* 2013; Tshuma & Boyana 2013), compared to the national average of 50% (May 1998; Kyei & Gyekye 2011, 2012). Despite residing in a province with vast potential agricultural wealth, more than 40% of households live on less than R1 500 a month (Bhorat *et al.* 2012). Empirical evidence demonstrates that many households depend on agricultural activities to sustain their livelihoods and they are considered as agricultural households, especially in the remote rural areas (Pauw 2005; Aliber & Hart 2009; Jacobs *et al.* 2009; Kyei & Gyekye 2011; Manyamba *et al.* 2012). Recent estimates indicate that 49% of economically active people are unemployed. Within this percentage 33% are employed in the informal sector (Kyei & Gyekye 2011). Therefore, informal and personal services are the main sources of employment for the majority of unemployed people (Gyekye & Akinboade 2003). This partly explains why

Limpopo province is regarded as one of the poorest provinces when compared with other provinces.

The province comprises diverse tribes, namely Venda, Tsonga and Northern Sotho, with a broad variety of social, demographic and economic characteristics. There are five districts within the province, namely Greater Sekhukhune, Mopani, Vhembe, Capricorn and the Waterberg (Jacobs *et al.* 2009; Tshitangoni *et al.* 2010). Geographically, the province covers 124 000 km² – about 10% of South Africa's surface area (Gyekye & Akinboade 2003).

According to a mid-2013 statistic report, approximately 52.98 million people live in South Africa of which an estimated 5.55 million (10.4%) who are predominantly African reside in Limpopo province (Pauw 2005; Kyei & Gyekye 2011). The average household size is 5.40 people per household (Review of Thulamela Municipality Integrated Development Plan 2010/11–2012/13). According to Kyei and Gyekye (2011, 2012), 52% of Limpopo citizens are women. When compared to other provinces, Limpopo province reported the highest population growth in the country with 3.9% per annum (Gyekye & Akinboade 2003; De Cock *et al.* 2013). As a result of rapid growth, the province faces a number of development challenges, such as alleviating poverty, creating employment opportunities and infrastructure development. When looking at this status, one may argue that policies implemented after the inauguration of democracy have not met the targets in terms of alleviating poverty and food security in the province, as the literature shows that self-reported food access insecurity levels are still predominantly high.

With regard to current household food security trends, Nathalie De Cock *et al.* (2013) adopted the Household Food Insecurity Access Scale (HFIAS) to assess households' food security in all five districts of Limpopo province and reported that 14.8% of the people in the surveyed sample were food secure, 5.8% were mildly food insecure, 26.4% were moderately food insecure and 53.1% were severely food insecure (De Cock *et al.* 2013). A similar study conducted in all five districts reported that 52% of studied populations were severely food insecure, while 32% of households lived on the equivalent of less than US\$1 a day (D'Haese *et al.* 2011). The two studies used different sample sizes but both adopted the HFIAS approach to analyse data.

The province is gifted with a variety of mineral resources, such as coal, iron ore, platinum, gold and diamonds, which contribute about 6.5% to the national economy (Kyei & Gyekye 2011). Oni *et al.* (no date) noted that the province is one of the country's prime agricultural regions, noted for the production of fruits, vegetables, cereals and tea. In 2003, Limpopo province Freight Transport Data Bank estimations revealed that the province produces 31% of the country's sub-tropical fruit, 25% of the citrus, 75% of mangoes, 65% of papayas (pawpaws), 60% of avocados, 25% of bananas, and 20% of litchis (Mashau *et al.* 2012). As the largest producers of various crops in the agricultural market, Limpopo contributes 6.7% to the national GDP (Adong 2012). Because of this high production of fruits and vegetables, some of scholars describe it as the garden of South Africa (Sakyi 2011). In fact, the agriculture, mining and tourism sectors are the main pillars of the Limpopo province economy (Ladzani 2010: 75–76).

Even though the province is endowed with rich natural resources, it is unable to deal with growing poverty, unemployment and food insecurity and has remained a victim of underdevelopment. As in other poor provinces such as the Eastern Cape (Musemwa *et al.* 2013) this demonstrates that programmes implemented to solve the problems of poverty, unemployment and food security within the province are continuously failing to deliver the desired results.

3.1.2 Overview of the study area

Data for this study were collected from informal street traders in the Thulamela Local Municipality of Vhembe District Municipality (VDM). The biggest township is Thohoyandou and the capital city of the province is the city of Polokwane, located approximately 180 kilometres away. The VDM shares borders with Zimbabwe and Botswana in the north-west and Mozambique in the south-east through the Kruger National Park. The VDM consists of four local municipalities: Thulamela, Musina, Makhado and Mutale. Thulamela Local Municipality (TLM) is the largest of the four local municipalities (Tshitangoni *et al.* 2010) and has 38 wards. Based on the 2010 Statistics South Africa survey, the overall total population of the TLM is estimated to be around 602 819 with an estimated 137 852 households. In addition, according to a recent review of the Thulamela Municipality Integrated Development Plan of 2010–2011, the average household size is estimated to be around 5.28 persons per household (Review of Thulamela Municipality

Integrated Development Plan 2010/11–2012/13). Historically, TLM is characterised by a black African population with small-scale and subsistence farming.

TLM was selected as a case study for this research based on the author's knowledge of the area. The local municipality consist of large numbers of people participating in the informal sector, especially street traders, vendors and hawkers (Review of Thulamela Municipality Integrated Development Plan 2010/11–2012/13). Most households face a daily struggle with poverty, particularly due to the high unemployment rate. The municipality is the home of major fruit and vegetable producers in the province such as banana, avocado and mango. The chronic nature of poverty in this municipality is verified by a high rate of unemployment and poor infrastructure. It is interesting to note that formalising the informal sector, particularly street trading, is one of the key focus areas of the recent Integrated Development Plan (Review of Thulamela Municipality Integrated Development Plan 2010/11–2012/13).

3.2 Nature of the study

3.2.1 Sampling procedure

The initial phase of collecting data for this research study was to review pertinent available literature. The second phase was to collect data in the area of study. The sampling procedure was analogous to techniques adopted in a study carried out by (Blaauw 2005). A multi-stage sampling procedure was employed to select areas where the data were captured. In multi-stage sampling, sampling is done sequentially across two or more hierarchical levels (Obayelu 2012; Demi & Kuwornu 2013; Akerele *et al.* 2013). To be in line with multi-stage sampling procedures, several steps were followed. The first stage was the purposive selection of one district municipality out of five. The second stage was again based on purposive selection of local municipality out of four. The last stage was the random selection of 100 informal street traders across the selected local municipality. Only controlled street traders were selected. Those steps are shown in (Figure 3.1).

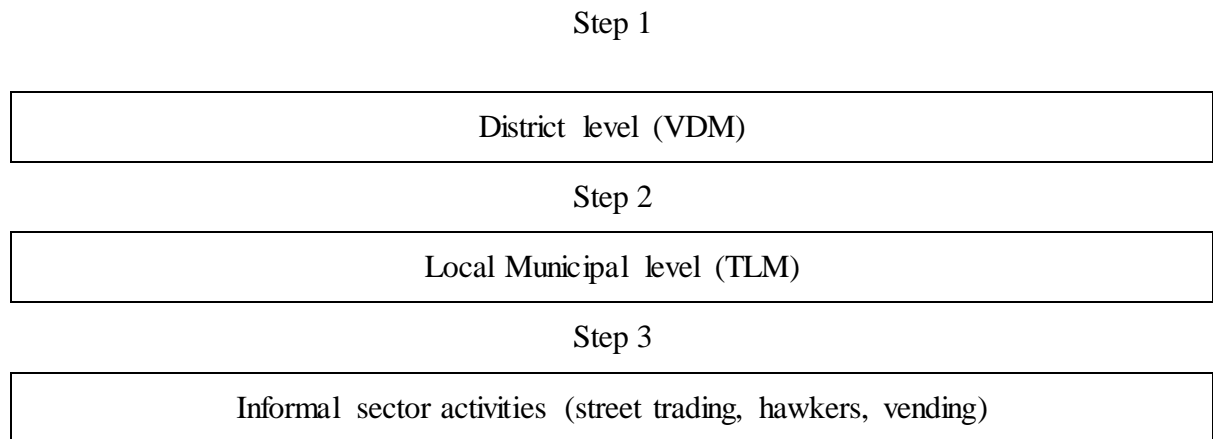


Figure 3.1 Steps followed when applying multi-stage sampling procedures

3.2.2 Data collection tools

In various studies, a range of data collection methods are used (Rule & John 2011). To achieve the research objectives and to ensure that the data collected were accurate, adequately reflected the realities of informal street trading and answered the research problems, two major sources of information – namely primary and secondary sources – with a combination of qualitative and quantitative methods were adopted to complement each other (Creswell 2003: 15–16; Masuku & Sithole 2009: 9; Adam & Pettenella 2012). It has been documented that the two research methods work positively hand in hand (Vargas & Penny 2009).

Field observation, meeting with key informants and secondary data were used to support the core tools of the study (quantitative and qualitative methods) with the street traders being the units of analysis. Costs and feasibility associated with the location of the selected area were also taken into consideration when selecting the areas where data were collected. Data that were collected through observation gave the researcher genuine first-hand experience to explain issues such as behaviours and opinions that were raised by informal street traders during the interviews, rather than depending only on what the street traders said on the questionnaire.

3.2.3 Sample size

One hundred informal street traders were randomly selected to characterise the entire informal trading within TLM. According to Kothari (2004: 55–67), random sampling

provides an equal probabilistic opportunity of the participants within the population to be selected. Participants were selected from across Thohoyandou central business district. Policy-makers should note that the sample size was not large enough to compare responses from different municipalities. Therefore, certain limitations should be taken into consideration by policy-makers when implementing new policies.

3.2.4 Information collected

To respond to the needs of different street traders, conditions of the business and their household food security, open- and closed-ended questionnaires (Appendix B) were designed to collect information on the following three aspects.

The first section pertained to basic household demographic characteristics, namely age, gender, monthly expenditure, household size, monthly expenditure and level of education. In most of the studies related to the informal sector, it has been documented that capturing the demographic information of the respondents enables the research to categorise respondents and draw comparisons between the different categories (Van Heerden 2011). These are some of the factors that influence household food access (Musemwa *et al.* 2013), contributing significantly to the causes of food insecurity in South Africa as recommended by Manyamba *et al.* (2012).

Secondly, the study collected information concerning household food insecurity situations. With regard to food security studies, it is recommended that considering the socio-economic characteristics of households in a survey provides better understanding of the required interventions (Idrisa *et al.* 2008; Akerele *et al.* 2013).

The third part of the questionnaire collected information regarding the historical background of the business, such as type of business activities performed, year established and so on.

3.2.5 Meeting with informal street trading representatives

Denscombe (1998: 118–119, cited in Tawodzera 2011) outlined that it is important to engage key informants in a research project due to the position they hold in a community. Discussions with key informants were held prior to data collection. This was done with the

purpose of obtaining authority to carry on with the survey and further obtain relevant knowledge related to the topic being investigated. Key informants included the chairman of the hawkers at the municipal office and the representatives of different hawkers' associations that work with street trading management across the municipality. This methodology is similar to that used by Holness *et al.* (1999), who conducted a survey on informal trading in the central business district of East London in the Eastern Cape.

3.2.6 Survey and interviews

Prior to the collection of any data of this study, data of this study was collected after the university granted consent letter to the researcher (APPENDIX A). Surveys were conducted with the studied population to obtain required information in order to achieve research objectives. For the reliability and validity of the data, pre-testing of questionnaires was done using a small number of respondents who were not part of the sample but had similar characteristics as the targeted population (similar to Turyahabwe *et al.* 2013). The purpose of pre-testing questionnaire was to familiarize with the questions and to test the how to apply during collecting data (Turyahabwe *et al.* 2013). Informal traders were not informed prior to administering the questionnaire in order to minimise bias in the study (Namugumya & Muyania 2011). Similar to a study conducted by Adam and Pettenella (2012), interviews were conducted at respondents' workplaces. The respondents answered all the questions on behalf of their household members. Since the study applied mixed research methods, necessary primary information was obtained through a semi-structured open-ended questionnaire (Appendix B) (Creswell 2003: 212). The main purpose of adopting open-ended and closed questionnaires was to offer the respondent an opportunity to a freedom of expression to clarify and seek clarification on the questions related to business activities (Musemwa *et al.* 2013). The open-ended and closed nature of the interview has been recommended as one of the best tools to use in a survey (Tawodzera 2011).

During the survey period, in-depth survey questionnaires were administered directly to informal street traders face-to-face by the researcher. Interviews with street traders took place in November 2012. The length of the questionnaire was 45–60 minutes. Some of the data were added during the period of interview. Ruysenaar (2012) experienced a similar case in his study. Due to language barriers questionnaires were prepared in English and

then translated into the Tshivenda language during the interview period. Since informal street traders sell different items, the goods and services presented in Chapter 4 represent a snapshot of the day they were interviewed.

3.2.7 Secondary data

For the study to be in line with previous studies and to reduce the chances of the outcome of the research being biased, the study used existing secondary information as baseline information in addition to the survey. The secondary information was derived from various sources such as journals, books, newspaper articles, previous theses, conference paper presentations. According to Bantubonse (2008), secondary data provide a wide coverage on what has been written about the topic. In this case, it assisted the researcher to identify the gaps that needed to be filled in by the research in order to alert policy-makers to recent trends.

3.2.8 Problems encountered during the data collection period

As in other academic studies, respondents were told before engaging them in the research that their responses would be treated confidentially. However, it was very difficult to get accurate information about the business as the majority of respondents were unwilling to participate due to fear of banishment. Similar cases were reported in Cape Town by Van Heerden (2011) and in Durban by Sidzatane (2011). This unwillingness resulted in arbitrary answers that may affect the validity of the data collected and further provide a more dismal picture. Another problem encountered was lack of concentration from the respondents during the period of interview; the process had to stop when they had to attend to customers. A similar case was reported in Sudan by Adam and Pettenella (2012). Informal street traders who formed part of the survey had very high expectations as they wanted the research to yield immediate results. Therefore the results were not as revealing as might have been hoped.

3.2.9 Data entry

One hundred questionnaires were completed adequately with full information needed to achieve the research objectives. Data were divided into two categories, namely qualitative

and quantitative. Quantitative data were coded in the form of numbers and were analysed using the Statistical Package for the Social Sciences (SPSS) program; they are presented in the form of tables with the aim of identifying the main issues that emerged from the answers given by the respondents. After completing the data entry process, data were processed and examined to detect implausible values with the aim of detecting errors and omissions. In the very few instances when this occurred, these errors were corrected by going back to the original questionnaire. Once all corrections were made, an exploratory analysis was conducted. Qualitative data were not coded into the SPSS program but were applied directly from the questionnaires and analysed using context analysis.

3.2.10 Methods adopted to analyse data

The analysis was done in two ways.

3.2.10.1 Descriptive analysis

Firstly descriptive statistics was employed to profile the socio-demographic characteristics of the selected street traders and reported in the form of tables and graphs such as means, frequency tables, percentages, medians, modes and standard deviations, as well as cross tabulations. Socio-demographic variables, namely sex of respondents, head of the household, education level attained by the respondents, marital status, household size and place of residence were examined in this section. Descriptive statistics was further administered to analyse informal businesses characteristics. According to Rule and John (2011), without descriptive analysis of the phenomenon and its context, explanatory or evaluative analysis of the results does not make sense.

3.2.10.2 Analysing the prevalence of household food insecurity amongst households participating in informal street trading in TLM

According to Hendriks (2005) measuring food security is costly and challenging due to the multi-dimensional character of food security, suggesting that there are many indicators of measuring food security. Empirical evidence shows that there are a number of ways to assess the level of household food security and several methodologies have been used

since the early 1990s in South Africa (Hendriks 2005). These methods include (Labadarios 2000, cited in De Cock *et al.* 2013):

- National Food Consumption Survey (NFCS);
- Food Insecurity and Vulnerability information and Mapping System (FIVIMS);
- General Household Survey (GHS);
- Income and Expenditure Survey (IES);
- Community Survey (CS);
- South African Social Attitudes Survey (SASAS); and
- Labour Force Survey (LFS).

The HFIAS comprises nine questions and three occurrences related to the domains (aspects) of food insecurity. Each domain reflects a different degree of severity (Baiyegunhi & Makwangudze 2013). These questions are structured to address three food insecurity conditions (Coates *et al.* 2007; Swindale & Bilinsky 2009; Baiyegunhi & Makwangudze 2013; D'Haese *et al.* 2013):

- Anxiety and uncertainty about the household food supply (represented by item 1);
- Insufficient quality (including variety and preference of the type of food) (represented by items 2–4); and
- Insufficient food intake and its physical consequences (items 5–9).

Responses to the nine severity items in the HFIAS were coded 0 for no and 1 for yes. The standard procedure for scoring was used as follows: zero was attributed if the event described by the question never occurred, 1 point if it occurred during the previous 30 days. With regard to the occurrence, 1 was attributed if the events rarely occur, 2 sometimes, and 3 often (Coates *et al.* 2007; Baiyegunhi & Makwangudze 2013).

Therefore, responses on the nine closed-ended questions were summed using the Excel program to create the food security score, with a minimum of 0 and a maximum score of 27 with increasing number frequency-of-occurrence representing greater food insecurity (e.g., Coates *et al.* 2007):

$$\text{HFIAS Score (0–27)} = \text{Sum of frequency code (Q1a + Q2a + Q3a + Q4a + Q5a + Q6a + Q7a + Q8a + Q9a)}$$

Using the classification provided by Coates *et al.* (2007), this allows the study to calculate the severity of food insecurity (Ruysenaar 2012). After obtaining the HFIAS score of each individual household, the score was entered into SPSS as an additional variable. Then, the average HFIAS Score was calculated using the household scores calculated above. According to the score, the higher the score, the more the household is vulnerable to food insecurity. The lower the score, the less food insecurity a household experienced as articulated by (Coates *et al.* 2007; Rudolph *et al.* 2012).

Household Food Insecurity Access Prevalence (HFIAP) was further adopted to report the prevalence of households' food insecurity. Households were classified into four categories (Coates *et al.* 2007; Rudolph *et al.* 2012):

- Food secure;
- Moderately food insecure;
- Mildly food insecure; and
- Severely food insecure.

Under these classes, households were categorised according to the affirmative responses they had provided to the statement on more severe conditions or experienced conditions (for more information sees Coates *et al.* 2007). Results were presented in the form of descriptive statistics.

Descriptive statistics was further administered to analyse socio-demographic variables on the prevalence of household food security amongst households engaged in informal street trading in TLM (Knueppel *et al.* 2009). Socio-demographic variables were selected based on the assumptions that any change to these factors could affect household food security either negatively or positively, both in the short and long term (Dodson *et al.* 2012: 11). Findings with regard to households' food security are presented in Chapter 5.

3.3 Chapter summary

Limpopo province is the home of 10.4% of South Africa's citizens. In terms of per capita income, the province is regarded as the poorest province in comparison with other South African provinces. As a result of the large number of households engaged in agriculture, the province has been defined as an agricultural households province. However, the

magnitude of poverty and unemployment characterise the socio-economic profile of the province. Owing to the high degree of inadequacies and inequalities, informal and personal services are the main employment outlets. It is against this background that more research is needed to develop the informal street trading sector since the majority of unemployed and poor households directly depend on it.

To investigate the contribution of the informal sector to poverty reduction and household food security in TLM in the VDM of Limpopo province, a multi-stage sampling procedure was administered with random sampling to select the studied population (100 informal street traders). In order to address identified gaps, a mixed research methods approach was employed to achieve research objectives. Information received from these instruments collected during fieldwork was converted into data represented by numbers or characteristics. Data regarding socio-demographic characteristics and business characteristics was analysed using the SPSS program. The HFIAS developed by FANTA to capture information on food shortage, food quantity and quality of diet was adopted to assess household food security of households engaging in informal street trading in TLM.

CHAPTER 4: RESULTS AND DISCUSSION: TYPOLOGY OF INFORMAL TRADERS

4.1 Introduction

After capturing data, the data are analysed in order to categorise, manipulate and summarise the research findings with the main purpose of answering research problems so that the relationships can be studied and tested and recommendations can be identified (Gopaul 2006). This chapter attempts to fill the information gaps in informal street trading in TLM by presenting the research findings. In this chapter, a profile of street traders and the characteristics of the informal street trading enterprise are presented in the form of typology. Various challenges restricting the growth of informal street trading are also addressed. Pertinent literature is used to support the research findings.

4.2 Socio-demographic characteristics of informal street traders in TLM

According to the descriptive statistics on average, the findings reveal that in TLM, women predominantly dominate (74%) informal street trading compared to men (26%) (Table 4.1). These findings are in consensus with a number of previous studies related to informal street trading in South Africa (Lalthapersad-Pillay 2004; Skinner 2006; Oosthuizen 2008; Crush & Frayne 2010; Jiyane *et al.* 2012; Mashau *et al.* 2012). Across sub-Saharan African men constitute (11.4%) of people employed in the informal sector (Mitullah 2003; Ruffer & Knight 2007; Chen 2010; Namugumya & Muyania 2011; Charmes 2012). However, the findings of this study contradict data presented by Masonganye (2010) 73% and Van Heerden (2011) 69%.

The lower percentage of men engaged in informal trading within the area of study may be attributed to the fact that, in developing provinces such as Limpopo and the Eastern Cape, the formal sector is unable to generate employment opportunities. As a result, unemployed particularly men end up migrating to the wealthy provinces such as Gauteng and the Western Cape in searching a better life. The rising incidence of migration of men from this province is an escalating indication of high unemployment and poverty levels. These have been noted by several scholars (e.g., Kyei & Gyekye 2011; Van der Merwe 2011; Jiyane *et al.* 2012; Modirwa & Oladele 2012; De Cock *et al.* 2013).

Table 4.1 Socio-demographic characteristics of people engaged in informal street trading

Variable	Number	Percentage
Gender of respondent		
Male	26	26%
Female	74	74%
Household head		
Male	55	55%
Female	40	40%
Grandparent (father)	1	1%
Grandparent (mother)	4	4%
Marital status		
Single	22	22%
Married	49	49%
Divorced	15	15%
Widowed	14	14%
Place of resident		
Rural	75	75%
Pre-urban and urban	25	25%
Age of respondents (mean)	45 years	
Size of the households (mean)	5.03 per household	
Age of the businesses (mean)	10 years	

Source: Field survey data (2012)

Table 4.1 shows that in TLM more than 55% of households engaged in informal street trade were headed by males. A similar trend was observed in other studies conducted within the same municipality (Oni *et al.* 2010). Forty percent of the respondents lived in households headed by single mothers. A lower percentage of households participating in

the informal street trading were headed by grandparent (mothers) 4% and grandparent fathers 1% within the study area.

With respect to marital status, 49% of the respondents were formally married, while 22% were classified as never married. Amongst single respondents some were still staying with their parents. A similar trend was observed in a study conducted in eThekweni Metropolitan Municipality, KwaZulu-Natal (Jiyane *et al.* 2012). Fifteen percent of the respondents were living separated from their partners. Only 15% were divorced. 29% of respondents were permanently living without their partners.

With regards to household size, the literature shows that the majority of households involved in the informal sector are more likely to live in larger households (Wills 2009). The results reveal that the majority of respondents lived in households that consist of five members with a standard deviation of 1.823 people per household. It is interesting to note that the size of the households was slightly lower than the overall household size of the province, yet higher than the average national household size (Adong 2012; De Cock *et al.* 2013).

As illustrated in Table 4.1 the results reveal that the mean age of the majority of the informal street traders in TLM is 45 years. This age distribution is consistent with the results of Mashau *et al.* (2012), who assessed the socio-economic characteristics of Tshakhuma informal street hawkers in the same municipality and Celik (2011), who conducted a study in six areas of Durban, KwaZulu-Natal. Both scholars reported that the majority of street traders were between the ages of 36 and 45 years.

A question related to the place of residence adopted from Van Heerden (2011) was asked. The results of the study indicate that the majority (75%) of street traders interviewed lived in rural areas. Only 25% lived in urban and pre-urban areas. For those who lived in rural areas, results indicate that it took about 30 minutes for them to reach the trading site using public transport. Those who lived in the surrounding areas indicated that they hardly use any form of transport, but prefer to walk in order to save the little money they earn. The little income they earn in these economic sectors can partially explain the extent of their poverty in the study area. As noted in Chapter 3, these results are significantly correlated with data presented by De Cock *et al.* (2013). Therefore the findings of the study concur

with previous studies conducted across South Africa that reported that the majority of unemployed people resided in rural areas.

From the years of experience in the informal street trading business, it was found that street trading in South Africa can no longer be considered a part-time business. The results of the study confirm that, on average, the informal street traders had ten years of operating experience as street traders, which shows the high stability of engaging in the business. Similar to a study conducted in Zimbabwe by Bukaliya and Aleck (2012), the respondents' age and experience were directly linked. Given that the majority of the respondents were at the age of 45, most of them argued that they started operating as street traders at the age of 30. These findings concur with the findings presented by Neves and du Toit (2012) after discovering that some of informal traders in South Africa (Eastern Cape) had developed long-terms goals for the survival of their enterprises.

4.3 Educational level of respondents

Informal street traders in TLM were asked to indicate their highest academic qualification in order to identify if education was preventing the growth of their business. Similar to the categories adopted for the educational level of respondents by other scholars, in this study the level of education ranges from those who do not have any formal education to those who have attained tertiary education (Table 4.2).

Table 4.2 Distribution of educational level by gender of respondents

Variables	Gender of respondents (n)		Percentages (%)
	Male	Female	
Never attend school	1	5	6%
Primary school	2	7	9%
Secondary school	18	56	74%
FET college	3	4	7%
Tertiary	2	2	4%
Total	26	74	100

Source: Field survey data (2012)

Results of the survey reveal a lower percentage of illiterate respondents (6%) and those with primary education only (9%). It is interesting to note that (74%) of the respondents had received formal secondary education. Within this percentage, it is imperative to note that not all respondents passed matric as the majority reported that they passed the old Standard 8 grade, which is now equivalent to Grade 10, and some passed matric. These findings significantly correlated to the findings of Mayrhofer and Hendriks (2005).

Although it was presumed in Chapter 1 that the informal sector consists of illiterate people, when combining the percentages of those with certificates from Further Education and Training (FET) colleges and universities, the results show that (11%) had received higher formal education. Those respondents were found to be government or private employees who sell their items over the weekends.

In general, the literacy levels of the respondents were not too low and presented a picture that suggests that education was not a constraint in the informal street traders in TLM. The findings of the study further corroborate a recent study conducted within the same municipality, which noted a high number of respondents with formal education (Mashau *et al.* 2012). These results suggest that street traders in the study area can read and write. Their knowledge may be attributed to years of experience in the business. Their ability to read and interpret marketing information was observed during the interview period by the

researcher. A similar trend was noted in a study conducted in Johannesburg by Campbell (2011).

The study further sought to find out whether an improvement of business operating skills and knowledge could impact positively on their businesses. Even though the figures are not presented in this study, qualitative data reveals that the majority were more convinced that new skills could make a difference in their business by suggesting areas of improvement such as financial skills and record-keeping management, marketing of their business and skills needed for negotiating with costumers. These have been shown by the following researchers: Oosthuizen (2008), Awan *et al.* (2011), Tshitangoni *et al.* (2010), Modirwa and Oladele (2012) and Kingdon and Knight (2007).

4.4 Main reasons for operating as a street trader

As formal employment opportunities continued to shrink in South Africa, the research sought evidence for what has been documented in the literature about unemployment in South Africa. Figure 4.1 presents the various reasons of venturing in the informal sector in TLM.

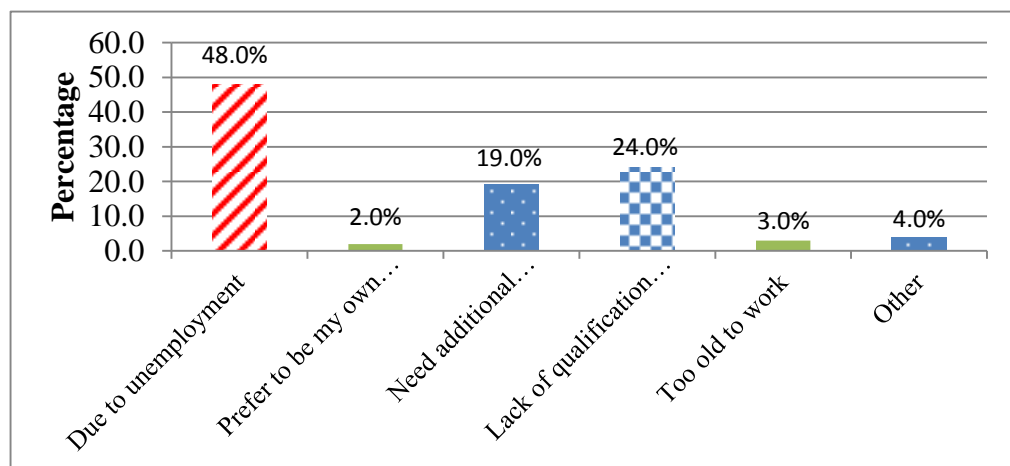


Figure 4.1 Distribution of reasons for engaging in street trading

Source: Field survey data (2012)

From the studied population, the results illustrate that the largest percentage of the respondents (48%) ventured into informal street trading with the objective of reducing unemployment vulnerability. These findings are consistent with South African studies and

reports (Mayrhofer & Hendriks 2003; Kingdon & Knight 2004; Ladzani & Netswera 2009: 232; Campbell 2011). It is interesting to note that due to the growth of the unemployment rate in South Africa, R9 billion has been allocated by the government to address unemployment (Brynard 2011).

As can be seen from Figure 4.1, 24% of respondents resorted to the sector because of a lack of qualifications that would enable them to work in the formal sector. Nineteen percent of the respondents stated that their main reason was to increase the income of their families. A lower percentage (4%) of various other reasons for participating in the sector were observed. Three percent of the respondents reported that they were too old to work and then decided to keep themselves active by engaging in street trading. Two percent reported that they prefer to be their own bosses where they work.

4.5 Distribution of informal business activities

The variety of the goods and services sold by informal street traders has been well acknowledged (Mitullah 2003: 8; Crush & Frayne 2012: 191; Sidzatane & Maharaj 2012). Although respondents were selected randomly, the results show that about 69% of respondents sold fruits and vegetables. This is not surprising considering that the province is rich in the production of horticultural crops. The findings of the study further agree with available evidence that among street vendors in many countries, men are more likely to sell non-perishables, while women are more likely to sell perishable goods such as horticultural products (Chen 2010).

Table 4.3 Distributions of commodities sold by informal street traders in TLM

Business activities	Gender of respondents		Percentages (%)
	Male	Female	
Fruits and vegetables	19	50	69%
Pap and meat	1	19	20%
Barber shop	2	2	4%
Selling clothes	1	2	3%
Repairing shoes	3	-	3%
Other	-	1	1%
Total	26	74	100%

Source: Field survey data (2012)

Apart from horticultural crops which were found to be popular item sold, the results further indicate that 20% of respondents traded pap and meat. In this class, female respondents predominantly dominate. Through observation, the place where the food was prepared was found to be not clean, not well lit and not far from sources of contamination. The informal street traders in raised concerns regarding their health because of dust and high numbers of flies which may spread pathogens. These situation paint a picture of poor monitoring of the trading site by government officials.

Barber shops constitute 4% of respondents, whereas selling of clothes and repairing of shoes account 3% each. Only 1% of respondents were found to be selling other items such as snacks, crisps and drinks.

The informal traders were asked as to why they sell these items. Most of the respondents were able to single out season as one of the factors that determine the commodities they sell, especially those who were selling fruits and vegetables. These findings agree with the study on informal trading carried out in the East London central business district in the Eastern Cape (Holness *et al.* 1999).

4.6 Status of informal business enterprises in TLM

Although question such as “Is your business registered?” appeared on the questionnaires, it was interesting to find out that that all respondents their business were registered. According to government officials, there are 1 390 informal street traders who have registered their business enterprise in the TLM database. It is argued that traders should register their businesses so that they can work with formal financial institutions (Tshuma & Boyana 2013).

The study sought to find out the main purpose of government issuing trading licences to informal traders. Due to the growing number of people venturing into informal street marketing, TLM – like other cities and towns in South Africa – has expressed concerns and takes action towards dealing with informal business enterprises within its towns by introducing trading and non-trading zones, constructing marketing areas and providing stalls along pavements where traders can operate, mostly situated near taxi ranks or pedestrian zones. Therefore, the permits grant informal traders the right to operate at the site provided by the municipality. In addition, the permits group traders based on their business activities, as the municipality thought grouping them could improve the condition of the town.

According to key informants and government officials representing informal street traders in TLM, “any person who carries on any lawful trade or occupation without being in possession of a license as required by the municipality convicted offence and eviction take place.” The TLM is in line with other municipalities with regard to tackling issues related to informal street trading (e.g., Bantubonse 2008; Masonganye 2010).

4.7 Challenges faced by informal street traders in TLM

Even though informal street trading has been reported to play a pivotal role in many families, the sector faces challenges that are restricting the growth, profitability and sustainability of the sector and further preventing people to rise above poverty. Very little has been done to improve the condition where street traders operate. In confirming the challenges faced by informal street traders, participants were asked to rank the challenges they are facing. Figure 4.2 presents empirical evidence of challenges faced by informal street traders in TLM.

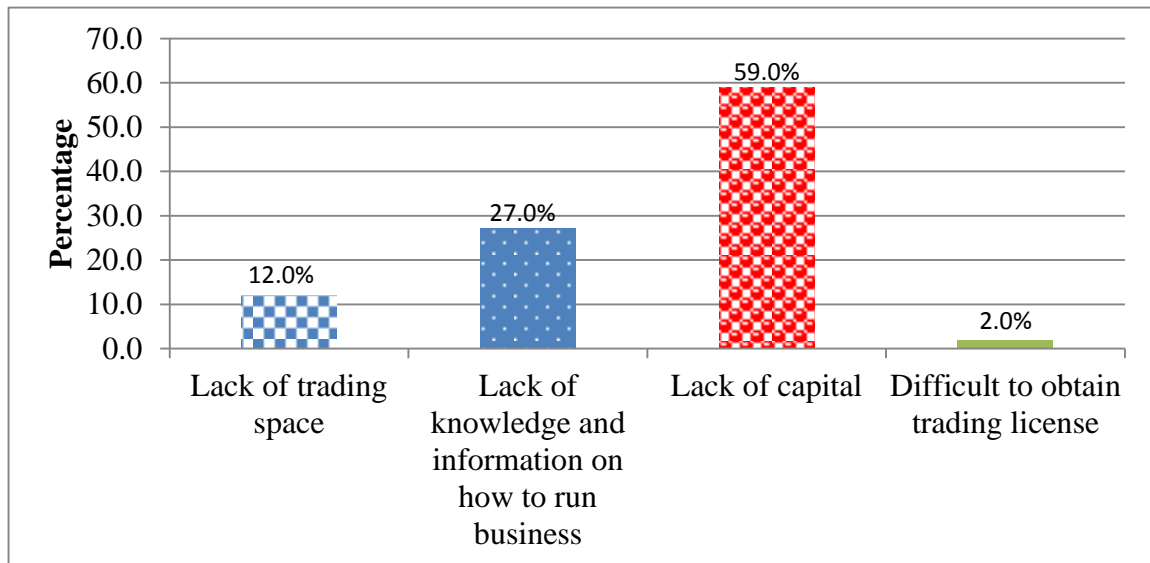


Figure 4.2 Constraints faced by informal street traders when establishing their business

Source: Field survey data (2012)

Informal street traders in TLM were confronted with similar challenges to those identified by several scholars in other areas of South Africa (Abdulla 2008; Lalthapersad-Pillay 2004; Ligthelm & Van Wyk 2004; Skinner 2006; Celik 2011; Woodward *et al.* 2011; Willemse 2013). The greatest challenge faced by the informal street traders in TLM was lack of access to capital 59%. This implies that the majority were self-financed when starting their business. On the other hand, some of the informal street traders argued that due to lack of capital they could not purchase the products they sold in bulk at a relatively lower price. Various scholars noted lack of access to finance or loans as a major challenge that needed to be addressed ahead of other challenges for the growth of this sector (Bukaliya & Aleck 2012). However, it is vital for the street traders to note that financial institutions fail to offer loans because empirical evidence shows that the majority of them are incompetent, as they do not have the capacity to utilise such loans efficiently and are unable to meet requirement (Bukaliya & Aleck 2012). Lack of finance is not only experienced by informal street traders; other types of the informal sector faces similar constraints (Adam & Pettenella 2012).

Informal street traders in TLM also expressed great concern about the effect of lack of proper trading space 12%. Twenty-seven percent of the respondents indicated that limited knowledge about running a business played a key role towards unsuccessfulness of their business. These findings concur with what has been documented by Bukaliya and Aleck

(2012). Apart from difficulties in securing credit and proper trading space, 2% of the respondents were found to be operating illegally, that is, without possessing a trading license.

4.7.1 Access to physical facilities

As outlined in Chapter 1 and further noted in the literature, the growth potential of most informal business is restricted by the unavailability of essential services. Research has shown that infrastructure has a potential role to play on the level of household food security (Alemu 2010).

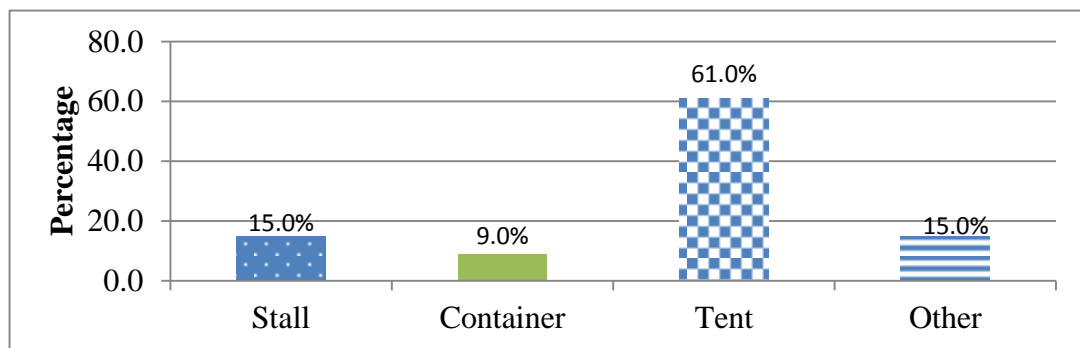


Figure 4.3 Types of shelter from which businesses operate

Source: Field survey data (2012)

According to the observational data, 61% of respondents operate their business under rudimentary structures that were unsanitary. It was, however, noticeable that traders used tents and umbrellas to protect themselves and the products they sell from adverse weather conditions such as the sun, wind and rain. Most traders within this percentage purchased their goods on a daily cash basis. This type of structure is not strong enough to withstand heavy rains or strong winds and as a result they are destroyed very easily. Other informal street traders were found to be trading under proper structures that protected them against environmental conditions – 15% used stalls and 9% traded from shipping containers. These findings correlate with empirical findings presented in a study conducted in Tshwane Metropolitan Municipality (Masonganye 2010).

Fifteen percent of the respondents reported that they were mobile, meaning that they traded in different sites. Within this percentage, the majority reported that they operated their

business in various places. As noted in the literature, their mobility has been described as a primary characteristic in the SADC region (Crush & Frayne 2010: 19). Overall, it was interesting to note that most of the informal street traders mentioned the importance of operating their business under proper building structures as protection against adverse environmental conditions. This has been noted by various authors (Holness *et al.* 1999; Ligthelm & van Wyk 2004; Bantubonse 2008; Willemse 2013).

4.7.2 Access to basic services

Basic services are services that businesses tend to use every day. These services play an imperative role toward the growth of the informal sector. Figure 4.4 presents a summary of responses from the sampled street vendors to questions as to whether their informal trading businesses had access to a range of different facilities.

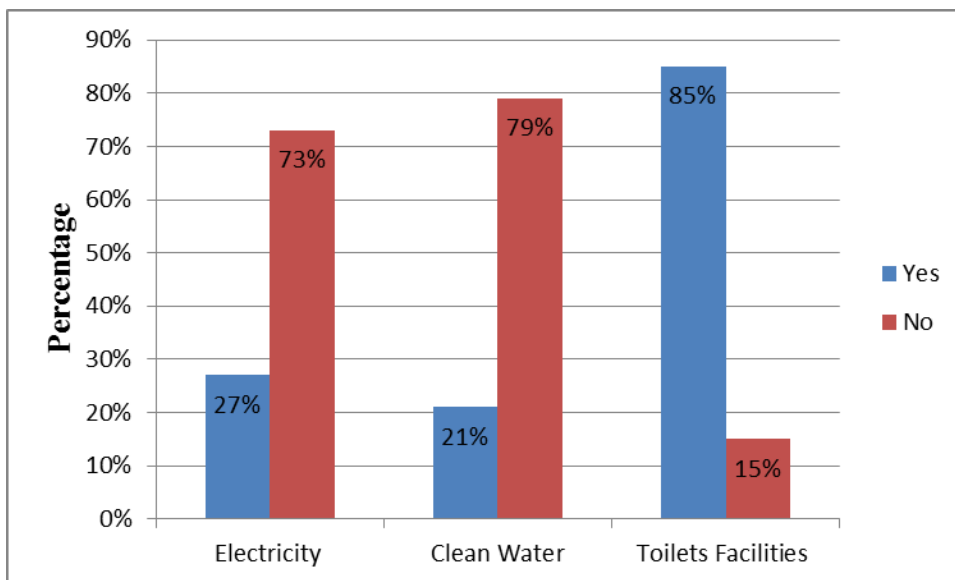


Figure 4.4 Access to various services by the informal traders in TLM

Source: Field survey data (2012)

Although electricity was available, 73% of the respondents did not have access to electricity, while a small percentage 27% indicated that they had access to energy (these respondents also stated that it was expensive to access electricity).

With regard to access to clean water, 79% of the respondents were found to be experiencing water problems. Only 21% had access to clean water. The majority of the

respondents indicated that they either brought their own water or used water from a neighbouring building. A similar trend was noted in a study conducted in rural areas of Mpumalanga where most of the vendors had access to electricity but experienced water difficulties (Feeley *et al.* 2011). In general, these findings suggest that access to water is a serious problem to informal street trading enterprises in South Africa.

Lack of access to clean water especially to the street traders selling food poses a threat to the health of consumers. Foods that are served to consumers should be clean and safe. Lack of water increases the probability of not practising proper hygienic measures, which affects the quality of products sold and the nutritional status of costumers (Rane 2011) and consequently reduces the probabilities of improving household food security (Madzwamuse 2010).

In terms of sanitation, results show that lack of toilet facilities was not a major problem. About 85% of the respondents had access to proper toilets. A lower percentage of respondents 15% reported not having access to toilets. It is interesting to note that public toilets are provided and located strategically in an open area for all street traders to use. However, it was observed that those structures had been poorly maintained. It is important for policy-makers to note that access to these basic facilities is crucial for the wellbeing of informal traders (Alemu 2010). These findings are consistent with the findings of Ligthelm and Van Wyk (2004), who conducted a survey in Tshwane, and Skinner (2006), who conducted a similar survey in Durban.

4.8 Chapter summary

After the review of relevant literature, these findings are consistent and correlated with other studies and reports. The study strongly confirms the skewed gender inequality within the study area. Migration of men was the main reason behind the domination of women in informal street trading. In TLM, the majority of people participating in informal street trading were married, about 45 years old and living in households consisting of 5.3 family members. Many informal street traders in TLM regarded their business as a source of employment as their businesses had been in existence for more than ten years. All informal street traders in TLM registered their businesses and almost all operated with trading licences. Although various reports and research studies pointed out that improving education could lead to positive results of the business, the study found that education in

the informal street traders in TLM was not a constraint, as the majority could read and write. Even though informal street trading plays a significant role in TLM and elsewhere across the continent, it is still faced with huge challenges preventing its growth, profitability and sustainability (Bukaliya & Aleck 2012). For the informal street trading to affect the majority of the people positively, these results reiterate the importance of interventions. Policy-makers need to pay much attention to these constraints in order to reduce poverty and enhance income generation and household food security and contribute to a better life for all.

CHAPTER 5: RESULTS AND DISCUSSION: THE PREVALENCE OF FOOD INSECURITY AMONGST HOUSEHOLDS ENGAGED IN INFORMAL STREET TRADING IN TLM

5.1 Introduction

Over the past years, informal street trading has been playing a crucial role with regard to employment crises and poverty reduction. However, very little is known with regard to the socio-demographic characteristics of informal street traders and their household food security. Adopting techniques established by Coates *et al.* (2007), this chapter assesses the status of food security of households engaged in informal street trading in TLM. The assessment is based on the self-reported outcome of food insecurity caused by insufficient access to food such as feeling hungry, reducing the number of meals, consuming food that is less liked, or consuming a diverse diet of food due to difficulties of accessing food (references in Chapter 3).

5.1.1 Household Food Insecurity Access Scale score

As already discussed in Chapter 3, the score given to households range from 0–27, where a higher score represents a high incidence of food insecurity. The results show that households engaged in informal street trading in TLM had a mean score of 7.35 with a standard deviation of 7.603 (Table 5.1). Despite the high incidence of poverty reported in Limpopo province, the score was not as high as anticipated.

Table 5.1 Average household food insecurity access scale score

HFIAS	Number of households	Mean score	Median score	Minimum	Maximum	SD
	100	7.35	5.50	0.00	24.00	7.603

Source: Field survey data (2012)

5.1.2 Domains related to household food insecurity

Respondents were asked whether they had experienced food insecurity in the last 30 days. Those who responded affirmatively were further asked to indicate the occurrence of the incidence. The occurrences were categorised into three domains of food insecurity, namely worry or uncertainty about supply of food, limited quality of food consumed, and insufficient quantity of food consumed, according to the procedures documented by Coates *et al.* (2007) and Swindale and Bilinsky (2009).

5.1.2.1 Anxiety and uncertainty about the household food supply

Though food is described as the primary adequate access to a nutritionally balanced diet and is a necessity of life, the majority of households live in fear that food might run out, that food won't last and of not knowing where to obtain food (Coates *et al.* 2006). Table 5.2 summarises the findings of the first domain anxiety and uncertainty about food supply.

Table 5.2 Distribution of households' anxiety and uncertainty about household food supply in TLM

HFIAS question	Frequency of occurrence in the last 30 days			
	Never	Rarely	Sometimes	Often
Did you worry that your household would not have enough food?	37%	12%	32%	19%

Source: Field survey data (2012)

A high number of households 63% engaged in informal street trading in TLM live in fear that food might run out. This percentage does not indicate any evidence of the severity of the food insecurity experienced. Therefore, to find the severity of food insecurity amongst the households, respondents were asked follow-up questions related to the frequency of occurrence of food insecurity in the last 30 days (Table 5.2).

5.1.2.2 *Insufficient quality (includes variety and preferences of the type of food)*

The literature shows that food insecurity is not just about insufficient food production, availability, and intake; it is also about the quality or nutritional value of food, which includes not only edibility but also variety, preferences and social acceptability. Therefore all nine generic questions had contained items pertaining to the domain insufficiency of food quality. Only percentages of households that were unable to consume a quality food related to dietary variety were interpreted in this study. The distributions of household consuming insufficient quality of food are presented in Table 5.3.

Table 5.3 Insufficient quality (includes variety and preferences of the type of food)

HFIAS questions	Frequency of occurrence in the last 30 days			
	Never	Rarely	Sometimes	Often
Not able to eat the kind of food you preferred because of a lack of resources?	44%	5%	31%	20%
Have to eat a limited variety of foods due to lack of resources?	46%	6%	32%	16%
Have to eat some food that you really did not want to eat because of lack of resources to obtain types of food?	48%	8%	29%	11%

Source: Field survey data (2012)

With regards to responses related to the domain consuming minimum quality of food, the results show that 56% of households struggle to access sufficient preferable food they need. Of the 100 surveyed informal street traders, 54% reported that they were forced to eat a variety of food. A lower percentage of households 52% reported that they had to eat unacceptable food that they did not want due to resource constraints. On average, the percentage of households reporting that they consumed insufficient quality food was 54%. As the percentage of households reported to be experiencing insufficient quality of food decreased with progression of the questions, vulnerability of households also declined. These findings reveal that a high percentage of sampled households have limited resources and are unable to acquire quality nutritious foods, ending up having to consume food of

poor quality, which may have long-term negative health effects (Shisanya & Hendriks 2011).

5.1.2.3 Insufficient food intake or quantity of food

The domain related to consuming insufficient food quantity is an important indicator of food insecurity conditions. Households within this domain experience severe food insecurity problems (Coates *et al.* 2006). As already established above, affirmative responses to insufficient food intake were generally consistent with expectations of the study, indicating that as more households respond that they never experience insufficient food intake, the vulnerability of the occurrence declines. However, households engaged in informal street trading in TLM were concerned about insufficient food intake and its physical consequences (Table 5.4).

Table 5.4 Insufficient food intake or quantity of food

HFIAS questions	Frequency of occurrence in the last 30 days			
	Never	Rarely	Sometimes	Often
Have to eat a smaller meal than you felt you needed because there was not enough food?	52%	10%	24%	14%
Have to eat fewer meals in a day because there was not enough food	55%	10%	24%	11%
Was there ever no food to eat of any kind in your household because of lack of resources to get food?	86%	2%	11%	1%
Go to sleep at night hungry because there was not enough food?	88%	6%	6%	-
Go a whole day and night without eating anything because there was not enough food?	93%	4%	3%	-

Source: Field survey data (2012)

Sufficient food all the time is a basic human need. However, the results obtained indicate that 48% of households engaged in informal street trading reported consumed smaller

meals due to minimum food availability. As the percentage of households experiencing insufficient food intake decreases, 45% of households reported that at some point they reduce what they eat. Of the total participants, 14% of interviewed households reported that insufficient food intake is the reality that they face on a daily basis. A lower percentage of households 12% experienced severe food insecurity conditions. A further revelation was that no households reported that they often spend the whole day and the following night with an empty stomach 7%. Taking the overall figure, a lower percentage of households encountered a situation of consuming an insufficient quantity of food among household engaged in informal street trading in TLM 25.4%.

5.2 Household Food Insecurity Access Prevalence categories

Previous studies conducted across Limpopo province present results concerning the prevalence of household food insecurity (e.g., D'Haese *et al.* 2011; Adong 2012; Sakyi 2012; De Cock *et al.* 2012). As in these studies, households engaging in informal street trading were categorised into four HFIAP categories, namely food secure, moderately food insecure, mildly food insecure and severely food insecure, in order to identify the extent of vulnerability of households using the classification described by Coates *et al.* (2007). According to the results obtained, 37% of households were food secure. A relatively low percentage of households 14% qualified as mildly food insecure. Thirty-three percent of households reported that they experienced moderate food insecure conditions, whereas 16% were in the severely food insecure category.

As already pointed in the literature, while informal street trading offers the potential possibility to mitigate poverty and unemployment crises, the sector is unable to reduce household food insecurity vulnerability. When combining percentages of households in the mild, moderate and severe categories, 63% of households engaging in informal street trading in TLM were food insecure. The result was not surprising considering that it was previously noted in the literature and expected. As previously noted in the results presented in chapter four, several constraints limit majority of household to improve their food security situation. For example, available evidence presented in Chapter 1 shows that earnings in the informal sector are typically low and not enough to push people out of poverty. It is important to note the extent to which the food security of already hungry people deteriorates as a result of lower income or poor economic conditions (Meade &

Rosen 2013). Again, the high level of food insecurity may be attributed to the period of data collection during the month (November) in which hunger is usually considered to be most severe. Even though the study concentrated on informal street trading, direct comparison of the result with previous surveys may not be recommendable due to limitations of the study. Consequently, the findings should be generalised with cautiousness.

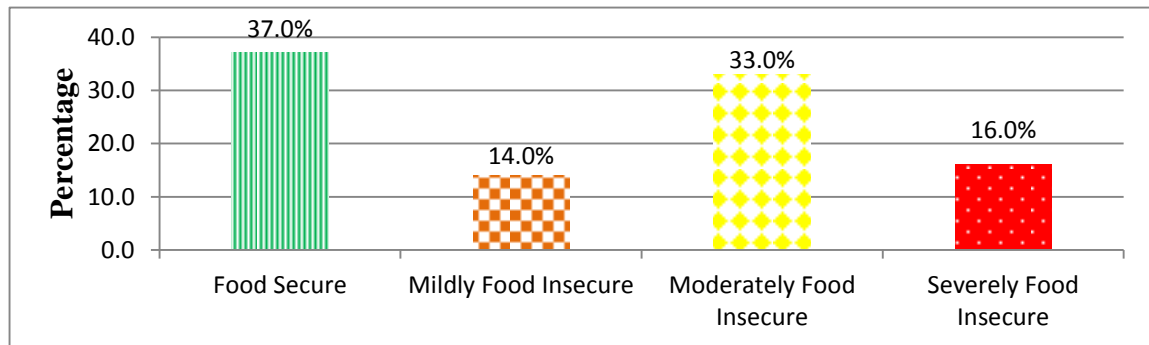


Figure 5.1 Household Food Insecurity Access Prevalence (HFIAP)

Source: Field survey data (2012)

5.3 Socio-demographic characteristics and household food security amongst households involved in informal street trading in TLM

The relationships between various socio-demographic variables and household food security have been examined in a number of studies, which have shown that socio-demographic characteristics significantly affect household food security, both positively and negatively (Duerr 2007; Alemu 2010; Knueppel *et al.* 2009; Dodson *et al.* 2012; Gebre 2012, Akerele *et al.* 2013; Baiyegunhi & Makwangudze 2013). A number of variables can be used to assess household food insecurity from the surveys. The socio-demographic characteristics of households presented in this study are age, gender, marital status, household monthly expenditure and level of education.

5.3.1 Household food security categories distributed by sex of household head

From a gender perspective, a household head can be either male or female and is responsible for the co-ordination of the household activities including acquisition of food. Research has shown skewed household food insecurity between households headed by

men and women (Floro & Swain 2012). Household head has been documented as a major factor influencing food security within the household based on the idea that household headship determine access to production factors and other variables which influence food security within household (Smith *et al.* 2000; Modirwa & Oladele 2012). As presented in Table 4.1, 55% of the households were headed by men. However, there was no relationship between household head and household food insecurity prevalence categories ($p = 0.643$). The finding was unexpected as previous studies outlined that the gender of the household head determines household food security. However, this non-significant relationship is unlikely to occur (Rose & Charlton 2002; Lokosang *et al.* 2011).

Table 5.5 Household food security categories distributed by sex of household head

Variables	Food secure (<i>n</i>)	Mildly insecure (<i>n</i>)	Moderately insecure (<i>n</i>)	Severely insecure (<i>n</i>)	Chi-square	Significant
Male	12	4	7	3	1.674 ^a	0.643 ns
Female	25	10	26	13		

Significant at $\alpha < 0.1$, *Significant at $\alpha < 0.01$, ns = not significant

n= Number

Source: Field survey data (2012)

5.3.2 Household food security categories distributed by marital status

Research shows that the gender of the household head does not act in isolation in determining household food security, but in conjunction with other variables. The other variable that is considered to play a crucial role in household food security is the marital status of the household head. Previous studies suggest that marital status of the household head plays a significant role in enhancing household food security. As already indicated in Table 4.1, most of the informal street traders interviewed were (49% married). Therefore, they were expected to be responsible for enhancing their household food security. As was expected, a significant relationship between marital status and the HFIAP categories was noted ($P < 0.078$, $\alpha < 0.01$) (Table 5.6). This suggests that marital status amongst households engaged in informal street trading in the study area influences food security status.

Table 5.6 Household food security categories distributed by marital status

Variable	Food secure (<i>n</i>)	Mildly insecure (<i>n</i>)	Moderately insecure (<i>n</i>)	Severely insecure (<i>n</i>)	Chi-square	Significant
Single	11	1	8	2	15.504 ^a	0.078*
Married	22	9	12	6		
Divorced	3	2	7	3		
Widowed	1	2	6	5		

*Significant at $\alpha < 0.1$, ***Significant at $\alpha < 0.01$, ns = not significant

n= Number

Source: Field survey data (2012)

5.3.3 Household food security categories distributed by education of household head

Previous studies have found that the educational level of the household head significantly affects household food security in positive and negative directions (Alemu 2010; Regassa 2011; Tawodzera 2011; Akerele *et al.* 2013; Baiyegunhi & Makwangudze 2013 Owino *et al.* 2013). As noted in the literature, the probability of households to be food secure is higher in households headed by an educated head rather than an uneducated one (Oni *et al.* 2010). As was expected, the results clearly show a strong statistically significant correlation between the household food insecurity prevalence category and the educational level of the household head ($p = 0.001$, $\alpha < 0.01$) (Table 5.7). This result agrees with other studies conducted in South Africa (Dodson *et al.* 2012), Nigeria (Idrisa *et al.* 2008), Southern Ethiopia (Regassa 2011) and Kenya (Owino *et al.* 2013) and in Uganda Turyahabwe *et al.* (2013). This signifies the crucial role of education in the attainment of household food security. According to Mears and Blaauw (2010), education is the most effective intervention of overcoming poverty and closing the poverty gap rather than other interventions such as child grants and free medical services for mother and child, which encourage poor people to have more children.

Table 5.7 Household food security categories distributed by education of household

Variables	Food secure (n)	Mildly insecure (n)	Moderately insecure (n)	Severely insecure (n)	Chi-square	Significant
Never attend	0.0	0.0	0.0	6	53.075 ^a	0.001***
Primary	5	2	1	1		
Secondary	22	11	32	9		
College	6	1	0.0	0.0		
Tertiary	4	0.0	0.0	0.0		

*Significant at $\alpha < 0.1$, ***Significant at $\alpha < 0.01$, ns = not significant

n= Number

Source: Field survey data (2012)

5.3.4 Household food security categories distributed by household monthly expenditure

Another variable of crucial importance to household food security status is household monthly expenditure (Dodson *et al.* 2012: 21). Numerous studies have demonstrated that households receiving high income have a greater probability of being food secure (Idrisa *et al.* 2008; Kuwornu *et al.* 2011; Akerele *et al.* 2013).

A strong statistically significant relationship between monthly expenditure and household food insecurity prevalence category was observed ($p = 0.001$, $\alpha < 0.01$) (Table 5.8). This suggests that food insecurity reduced with increased monthly expenditure. For example, from the surveyed households, no households spending more than R3 000 were reported to be food insecure. With households spending less than R1 200 a month, the incidence of severe food insecurity was high. These results are similar to the results presented by Rose and Charlton (2002), Bhorat *et al.* (2012), Crush *et al.* (2012), Dodson *et al.* (2012: 10) and Akerele *et al.* (2013).

Table 5.8 Household food security categories distributed by household monthly expenditure

Variable	Food secure (<i>n</i>)	Mildly insecure (<i>n</i>)	Moderately insecure (<i>n</i>)	Severely insecure (<i>n</i>)	Chi-square	Significant
Less than R1 200			1	8	106.872 ^a	0.001***
R1 200–1 999	2	3	6	8		
R2 000–2 900	19	11	6	00		
R3 000–3 999	12	0.0	0.0	0.0		
R4 000 and above	4	0.0	0.0	0.0		

Significant at $\alpha < 0.1$, *Significant at $\alpha < 0.01$, ns = not significant

n=Number

Source: Field survey data (2012)

5.3.5 Household food security categories distributed by age of the household

Among the demographic features, according to Knueppel *et al.* (2009), age of the household plays a key role in enhancing household food security. Current studies show that the physical, psychological, social and/or economic changes that may naturally occur in the lives of older adults increase the probability of their household being food insecure (Duerr 2007; Idrisa *et al.* 2008). From the surveyed sample, no household head by the household with less than 21 years old was reported. In addition, in this sample, no statistical relationship was found between age of the household and household food insecurity categories ($p = 0.818$) (Table 5.9). The finding that the age of the household head was not significant to household food insecurity prevalence categories in the surveyed sample clearly indicates no inequality between head of the household.

Table 5.9 Household food security categories distributed by age of the household

Variables	Food secure (n)	Mildly insecure (n)	Moderately insecure (n)	Severely insecure (n)	Chi-square	Significant
Less than 21 years	0.0	0.0	0.0	0.0	86.167 ^a	0.818ns
21–30	5	0.0	1	0.0		
31–40	11	5	7	3		
41–50	9	3	15	6		
51 and above	12	6	10	7		

*Significant at $\alpha < 0.1$, ***Significant at $\alpha < 0.01$, ns = not significant

n=Number

Source: Field survey data (2012)

5.4 Chapter summary

This chapter has provided empirical evidence on food security amongst households engaged in informal street trading in TLM. Based on the findings from this chapter, a higher incidence of food insecurity in Limpopo province continues to be reported. The empirical results of this exploratory study reveal that the majority of households 63% engaged in informal street trading in TLM lived in fear about their supply of food. Fifty-four percent were unable to consume quality food and 25.4% reported that they experienced the domain of insufficient food intake or quantity of food. The average prevalence of food insecurity was 63%. The findings further show that the majority of households experienced difficulties to access sufficient food of a type they prefer. A number of challenges appear to limit the effective contribution of informal street trading to household food security. This chapter further assessed household food insecurity levels by household socio-demographic characteristics. The results from this study indicate that while all households in the setting had a degree of food insecurity, not all socio-demographic characteristics influenced household food security amongst households engaged in informal street trading in TLM. Educational level, marital status and household monthly expenditure were statistically significant and correlated to household food

security. Contrary to expectations, Age and household head did not have an influence on food security in this sample. As a result of the limitations of the study, these study findings cannot be generalised. However, the study findings seem consistent with the results in the literature.

CHAPTER 6: CONCLUSION AND RECOMMENDATIONS

6.1 General

Though it has been well documented that South Africa is regarded as a middle-income country, unemployment, poverty, a skewed economic structure and structural food insecurity have continued to characterise South Africa since the start of democracy in 1994. In many developing countries, especially Sub-Saharan Africa, the growth of informal street trading is enormous. Millions of South African continue to venture into the informal sector in order to escape these challenges. However, the majority of informal street traders find it difficult to escape poverty, hunger and food insecurity due to limited important socio-economic services in their business. This study makes an effort to document the contributions of the informal sector to poverty reduction and food security with the following research objectives:

- What are the socio-demographic characteristics of informal street traders in TLM?
- Do informal street traders have knowledge of operating small business enterprises?
- What are challenges faced by informal street traders in TLM?
- What is the prevalence of household food insecurity amongst households engaging in informal street trading in TLM?
- What recommendations can be made to improve informal markets to ensure that the sector contributes to poverty reduction and household food security effectively?

A combination of quantitative and qualitative data collection methods and a multi-stage sampling procedure was adopted to collect data on 100 informal street traders who were randomly selected. Data was analysed using the SPSS program. Various sources of information were used to support the research findings.

6.2 Conclusion

This dissertation demonstrated that, given the nature of the unemployment challenge in South Africa, the number of people entering the informal sector continues to expand as the majority of people and poor households try to find alternatives to escape poverty. In South Africa, the informal sector is one of the fastest-growing sources of employment. The sector

contributes 32.7% to the creation of non-agricultural jobs. With regard to the contribution of the sector to the GDP of South Africa, its contribution ranges between 7.1% and 11.1%. As noted in many countries, particularly those that are regarded as developing countries, the informal sector is an important source of employment and of convenient, affordable nutritious food for the urban poor and working classes, which contributes to dietary energy and protein intake, particularly for those who consume it often.

With regard to characteristics of informal street traders in TLM, a large percentage of women engaged in informal street trading was reported, indicating inequality between female and male. The majority of respondents were formally married and lived in households consisting of five family members. The study further confirmed previous studies that reported that a large percentage of South Africans reside in rural areas, as similar trends was observed. On average, informal street traders were about 45 years old. The stability of street traders in their business was noted and was attributed to the high unemployment rate in the country.

With regard to the educational level of street traders in TLM, although the majority of respondents held secondary qualifications, education was not a constraint as most of the traders could read and write. However, this was contrary to the expectations of the study. Despite the positive roles informal street trading could play, their contributions remain limited due to various constraints that threaten to derail their productivity.

Despite various food security programmes implemented as part of interventions for creating jobs to improve income levels and improving access to food, the situation remains challenging in south Africa in spite of evidence that the country is producing enough food. With regard to food security in South Africa, a high incidence of food insecurity continues to be reported. From the studied sample, 63% declared themselves as food insecure. The score reveals the extent to which the problem has persisted. The research concludes that informal street trading is unable to reduce household food insecurity vulnerability in the study area. The findings reported in this study are coincident with other studies conducted on the informal economy, poverty and food security in South Africa. Despite the significant progress toward the goal of eradicating extreme poverty, South Africa appears to lag behind in its efforts to achieve MDG 1.

6.3 Recommendations to improve informal markets and ensure that the sector contributes to poverty reduction and household food security effectively

Since the discovery of the informal sector in the early 1970s, several studies and government reports have suggested a number of interventions and policies to uplift the standard of informal markets and address income inequality and unemployment. The challenge now lies in transforming those policies into actions. Given the reality of informal street trading and the complexity of their business, the following recommendations for future interventions are important to improve the conditions where informal street traders operate. Numerous ranges of alternative policies can be pursued for improving informal street trading to enhance household food security. The research argues that any single policy will not necessarily solve the challenges facing the country. These suggest that policies and interventions for improving household food security must therefore go behind policies aiming to improve informal street trading. Therefore, the study concludes by suggesting a few interventions that could be implemented to uplift the conditions in which street traders operate their business. As suggested by Shoaf Kozak *et al.* (2012) ending extreme poverty may require partnership to ensure formulation of relevant policies.

As various private sectors collaborate with the government of South Africa to eradicate poverty and food insecurity, both sectors should work hand in hand and support informal street trading so that the sector can effectively contribute to poverty alleviation, unemployment crises and fighting food insecurity.

The Department of Health in South Africa should design monitoring programmes to regularly monitor items sold by street traders in order to minimise unhygienic conditions.

In addition, increasing number of people entering informal economy in South Africa suggests a reconsideration of informal economy policies. If all the constraints hindering the growth of informal business enterprises are addressed, informal street trading could become one of the best engines to alleviate poverty, resolve unemployment crises and enhance food security. Collaboration efforts from various stakeholders, from both the private and public sectors are required. According to Mubangizi (2008), collaboration of those institutions must be grounded on the premise that they both share common understanding of the challenges facing the country and how they manifest themselves and how they can be eradicated.

6.3.1 How interventions can play role in the growth of informal street traders

Household food security amongst informal street traders can be improved in different ways. Street vendors need a number of services in order to fully contribute to poverty and unemployment reduction and food security. Figure 6.1 presents how interventions could change conditions of informal markets, though the effect could be minimal. As emphasised by Crush and Frayne (2010: 38), therefore, this research argues that government needs to recognise and admit the importance of informal street trading and find alternatives to encourage its growth.

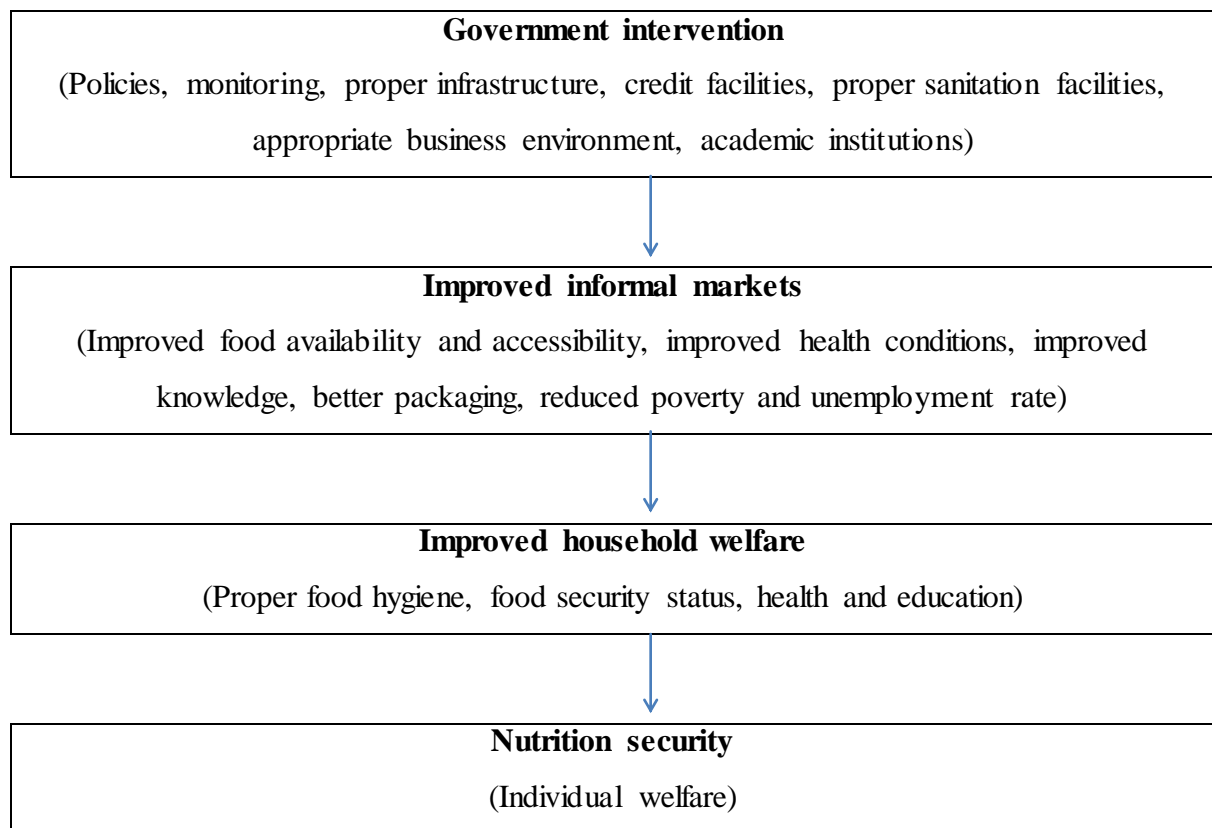


Figure 6.1 Schematic presentation of how government can play role in the growth of informal business

Source: Adapted from Mitullah (2003), Skinner (2006), Madzwamuse (2010), Carletto *et al.* (2012), FAO (2013)

It is interesting to note that this schematic presentation is in line with the FAO's 2013 objectives, which support the interventions of defeating chronic hunger and poverty by investments in people and their productivity. Elaborating further on poverty reduction, essential socio-economic services such as the availability of good physical conditions, healthcare, clean and plentiful water, access to sanitation, protective shelter and safe environments in which to move around, social services and education are primary means of improving a population's potential and its ability to generate sustainable incomes (Madzwamuse 2010; FAO 2013). If these services are provided, this suggests that policies aimed at mitigating challenges facing the informal street trading sector may also decrease poverty and enhance food security. When policy-makers want to implement appropriate

interventions, they should not isolate these factors as they tackle the needs of poor people in general, as highlighted by Altman et al. (2009) and Modirwa & Oladele (2012).

6.4 Implications for further research

This study has constructed baseline information that could assist further studies related to the topic the study investigated. Due to the high level of unemployment, increasing percentage of people venturing in the informal street trading and poverty in South Africa, similar studies should compare informal street traders operating under proper infrastructure and those who operate their business under rudimentary infrastructure to determine their household food security level. The studies should utilise large sample sizes. Such studies could provide information to determine whether given good infrastructure, informal street trading could be an effective means of combating poverty and unemployment and enhance food security.

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APPENDIX A: ETHICAL CLEARANCE LETTER



10 October 2012

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Pietermaritzburg Campus

Dear Mr Mafunzwaini

Protocol reference number: HSS/1037/012M

Project title: The contribution of informal sector to poverty reduction and improve household food: A case of street traders in Vhembe District of Limpopo province

EXPEDITED APPROVAL

I wish to inform you that your application has been granted Full Approval through an expedited review process.

Any alteration/s to the approved research protocol i.e. Questionnaire/Interview Schedule, Informed Consent Form, Title of the Project, Location of the Study, Research Approach and Methods must be reviewed and approved through the amendment/modification prior to its implementation. In case you have further queries, please quote the above reference number. PLEASE NOTE: Research data should be securely stored in the school/department for a period of 5 years.

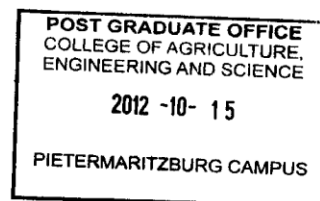
I take this opportunity of wishing you everything of the best with your study.

Yours faithfully

Professor Steven Collings (Chair)

/pm

Supervisor: Dr A Bogale
Academic Leader: Professor D Jaganyi
cc School Admin: Ms Michelle Francis



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INSPIRING GREATNESS



APPENDIX B: SURVEY INTERVIEW QUESTIONNAIRE

I am a student at the University of KwaZulu-Natal, Pietermaritzburg campus. I am conducting research on the contribution of the informal sector to poverty reduction and improved household food security. This research aims to provide some possible intervention that could help to achieve the country goal of eradicating poverty, providing baseline information that could be used in sustainable development and further explore possible intervention to improving informal markets and household food security within the area of study and elsewhere.

SECTION A

SOCIO-DEMOGRAPHIC CHARACTERISTICS

1. Sex of respondent	1. Male	2. Female
2. Age of respondent	1. Less than 21 years	
	2. 21 to 30	
	3. 31 to 40	
	4. 41 to 50	
	5. 51 and above	
3. Level of education	1. Never attend	
	2. Primary school	
	3. Secondary school	
	4. FET College	
	5. Tertiary	
4. Marital status	1. Single	
	2. Married	
	3. Divorced	
	4. Widowed	
5. Head of the household	1. Father	
	2. Mother	
	3. Grandfather	
	4. Grandmother	
Size of the household in number		
6. Household monthly income expenditure	1. Less than R1 200	
	2. R1 200–R1 999	
	3. R2 000–R2 999	
	4. R3 000–R3 999	
	5. R4 000 and above	

SECTION B

STREET TRADERS/VENDORS CHARACTERISTICS

1. Where do you live? 1 Rural, 2 Pre-urban and urban
2. How long it takes you to reach the trading site?
3. How long have you been working as a street trader?
4. Is your business registered 1. No 2. Yes
5. What is the main activity of your business?

1. Fruits and vegetables
2. Pap and meat
3. Barber shop
4. Selling clothes
5. Repairing shoes
6. Others

6. Why are you selling only this item?

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7. Do you sell only this commodity all the time? (1 = No) (2 = Yes)

8. Why did you conduct your business activity in this place?

1. Could not find professional premises
2. Cannot afford to rent or buy professional premises
3. I do not need it
4. It is the most convenient and profitable location

9. Indicate type of shelter your business operates from

1. Shelter	2. Tent	3. Container	4. Other
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10. Do you have access to the following basic services?

1. Clean water	2. Electricity	3. Sanitary facilities
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11. Where do you store your items?

12. Why are you working here?

1. Due to unemployment
2. Prefer to be my own boss
3. Needed addition income
4. Lack of qualification
5. Too old to work
6. Other

13. What are the challenges facing your business?

1. Lack of education on how to run my business
2. Lack of financial assistance
3. Lack of trading place
4. Difficult to obtain trading license
5. Others

14. Would you like to receive further training? (1 No) (2 Yes)

15. What type of training do you believe is needed for street vending to be successful?

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SECTION C

HOUSEHOLD FOOD INSECURITY ACCESS SCALE GENERIC QUESTIONS

1	In the past four weeks, did you worry that your household would not have enough food?		1. No 2. Yes
1a	How often did this happen?	1. Rarely	2. Sometimes 3. Often
2	In the past four weeks, were you or any household member not able to eat the kinds of foods you preferred because of a lack of resources?		
2a	How often did this happen?	1. Rarely	2. Sometimes 3. Often
3	In the past four weeks, did you or any household member have to eat a limited variety of foods due to a lack of resources?		
3a	How often did this happen?	1. Rarely	2. Sometimes 2 Often
4	In the past four weeks, did you or any household member have to eat some foods that you really did not want to eat because of a lack of resources to obtain other types of food?		
4a	How often did this happen?	1. Rarely	2. Sometimes 3. Often
5	In the past four weeks, did you or any household member have to eat a smaller meal than you felt you needed because there was not enough food?		
5a	How often did this happen?	1. Rarely	2. Sometimes 3. Often
6	In the past four weeks, did you or any household member have to eat fewer meals in a day because there was not enough food?		
6a	How often did this happen?	1. Rarely	2. Sometimes 3. Often
7	In the past four weeks, was there ever no food to eat of any kind in your household because of lack of resources to get food?		
7a	How often did this happen?	1. Rarely	2. Sometimes 3. Often
8	In the past four weeks, did you or any household member go to sleep at night hungry because there was not enough food?		
8a	How often did this happen?	1. Rarely	2. Sometimes 3. Often
9	In the past four weeks, did you or any household member go a whole day and		

	night without eating anything because there was not enough food?		
9a How often did this happen?	1. Rarely	2. Sometimes	3. Often

Source: Coates *et al.* (2007)