

## **The Mobile Street Vendors' Contribution to The Urban Economy: The Case of Pettah, Sri Lanaka**

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### **Abstract**

Every city plays specific roles and it has been organized according to its characters under different historical periods. Within the city, different activities are agglomerated such as formal and informal sector activities. With the evaluation process of cities, from the early days, a group of people specialized for carrying goods from place to place to the customers and selling with cheap price within the city mainly in the urban public spaces in the central business district (CBD). Today these groups of people are identified as Mobile Street Vendors (MSV) being a particular part of the city with playing a specific role within the city. These people have occupied in urban public space such as transportation hub, pedestrian side walk and public gathering places. With the development process of the cities, new shopping centers are immersed within the city, but these group of people are not totally eradicated from the cities, and they are visible in public space in every city in both developed and developing countries. Further time to time some policy decisions were enforced to remove those people from public places. Few groups are highlighted they are playing vital role in the CBD. Colombo is main transportation hub in Sri Lanka with a lot of mobile vendor are visible in the city. Therefore this study focus to identify how mobile vendors contribute to the urban economy in Pettah.

Further, questionnaire survey, focus group interviews and perception were used for data collection. Two groups were selected for questionnaire survey and four groups were selected for interview. The Network diagram and Mapping was used to interpret the economic linkages of mobile vendors and the narrative analysis techniques were used to interpret the collected data. The other required analysis were done by using simple analysis techniques. Through the understanding derived from the analysis, this study explore Mobile Street Vendors contribute to the urban economy through their economic linkages, employment, creating jobs and income poverty reduction.

Key words: Mobile street vendors, urban economy, public space

## **Introduction**

Street vending has being arisen from historical periods, and it is not newly emerged one in the city. The Street vending has existed for hundreds of years in many cities, and it considered historical and cultural heritage (Roevers. 2012). Further, it was explained by Bromley (2000), these group of people is ancient and important that found in major cities around the world (As cited in Barthelmes, 2012). Moreover, many countries defined street vending as visible in informal sector activities and they are significant section of urban economy.

Street vendors are emerged in public space where many people are gathering and they organize place themselves. In the city, mobile street vendors create “natural market” within the urban public space and this group of people distributes goods to consumer at a cheap price. Moreover, it explained, the vendors provides not only affordable food for the urban poor people, but also generates opportunities of self-employment to the economy.

With the evolution of many commerce and services during the year, activities agglomerated in Pettah as a result of Colombo harbor. Due to this reason informal sector activities were immersed in the city center. Mobile vending is one of the main informal sector activity and it was grown during these periods. This activity frequently visible in Pettah in Colombo and other urban areas in Sri Lanka.

Many scholars' studies have been conducted with respect to the issue and policies of street vending. The outcomes of most of these studies tend to present the adverse effects of street vending. There are two argument on street vendors in urban area. On the one hand, argue against to the street vending because they create problems and therefore should remove from urban environment. On the other hand, it was argued that contribution of street vending in urban area (Bromley 2000). However, minimum number of studies have been done on mobile street vendor's functions and their contribution to the urban economy. A few of such studies will be examined in this section, but those are related to the stationary vendors. In Sri Lankan context, there is lack of study about mobile street vendors, and it has left a gap to be filled. Therefore this study focus about second argument that related to the mobile street vendors in Sri Lanka.

### **Mobile Street Vendors**

Bhowmik (2005) explained that "A street vendor or a hawker is someone who sells goods to the public without having access to any permanent structure. Moreover, he identifies that street vendors can be stationary or mobile in nature. A stationary street vendor usually plies his trade either on pavements or on dedicated streets reserved for street vendors. Mobile Street vendors usually use a pushcart or use a basket that they can carry manually in order to sell their goods" (as cited in Kundu 2014, p.4). Further according to the National Policy on Urban Street Vendors in India. "A Street Vendor

is a person who offers goods or services for sale to the public without having a permanently built structure but with a temporary static structure or mobile stall (or head - load). Street vendors could be stationary and occupy space on the pavements or other public/private areas, or could be mobile, move from place to place carrying their wares on push carts or in cycles or baskets on their heads or could sell their wares in moving buses” (NPUSV, 2004). As discussed in most economics scholars street vending is coming under the Informal sector economic activity. “The informal sector is part of the economy that operates beyond the rules and regulations that govern the formal sector” (ILO, 1972; Todaro, 2005 as cited in Dimas, 2008). The informal sector plays an important role in a city. It provides jobs and reduces unemployment and underemployment of urban poor. Further mobile street vendors are important part on informal network in the city (Barthelmes,2012)

Further,Rachna (2014) stated that the Street vending is not only a source of self-employment to the poor in cities and towns but also a means to provide affordable as well as convenient services to a majority of the urban population (Rachna, 2014, p.55). Warakagoda (2013) provided background information on street vendors, the reasons to consider street vending as an obstacle or as beneficial to urban setting, livelihoods framework, vulnerability context and impacts on livelihoods assets, and finally coping and adapting strategies of street vendors

According to the Barthelmes(2012), Mobile Street Vendors sell variety of good such as fruits, Vegetables, News Paper and basic consumer goods which are carried in baskets on shoulder poles or transported by hand cars or bicycles. According to the Hasan.,M. and Alam., J. (2014), they explained Mobile Street vendors who walk around the city to sell their goods and services. They can be fully mobile or partly mobile (they may

stay and vend in a one place for a short period to time). ILO defined as Mobile Street vending also comes under the informal sector activities according to its characters.

Further Street vendors' preferred public space such as bus stops, railway stations and busy sidewalks etc. The Contested Space theory (Brown,A. 2006) explained most vendor's preference is proximity to large pedestrian flows because it is very important to take locational advantage.

Street vending is closely connected to issues of urban space, as vendors work to minimize the costs of rent and utilities by taking advantage of urban public space (Nunez 1993,p. 80). Street vendors operate their businesses in urban public space where busy streets, pavements or other public spaces. Mobile Street vendors are visible in urban public places such as the streets, parking lots, street junctions, pedestrian sidewalks, parks, transportation hubs and other public places. They occupy these places because these places are very congested and many people are gathered every daytherefore they can gain many economic benefits from it..

Efroymon(2015)explained that vendors in public space in Sri Lanka provided affordable foods for visitors. As a study on public space in Sri Lanka found, "Vendors can turn ordinary landscapes into a festive scene with their various items for purchase". Mobile street v.

### **Street vending and their contribution to the urban economy**

Before identify urban economy necessary to get understand about what is urban economic. Urban Economics is the study of the location choice of the firms and households, and consequences of these choices urban economics examine the question of where of economic activity;Households Choose to where to work, Households Choose to where to live, Firm choose where to locate (www.economics.pomona.edu/lozano).

Further explained about urban economic by Evans “Urban an economy is one of the most recently developed branches of economics (Evans, 1985, p. 1). Many economic activities are happening within the urban area and highly contribute to the country economy. According to the (Donald, 1997)“Urban economy is the study of economies that are organized as urban area”. Further he explained an urban area can be defined as a place with,

- A very high population density, compared to the surrounding area
- A total population greater than some minimum number (to distinguish urban area from small town)

Moreover Sullivan(2012) mentioned “Urban economics is exploring the geographical or location choices of utility maximizing household and profit maximizing firms”. Further he explained “An urban economics defines an urban area as a geographical area that contains a large number of people in a relatively small area. In other words, an urban area has a population density that high relative to the density of the surrounding are. This definition accommodates urban area of vastly different sizes, from a small town to a large metropolitan area”.

Cities provide economies of scale that make the production of goods and services more efficient way. And also cities are a gathering place for buyers’ and seller and also they facilitate trade. Street vending is an important part of an urban economy. It provides affordable goods and services with accessible retail choices to the poor section of the population in least developing counties (ILO, 2002a). Dinda(2010) highlighted that street vending is not only source of employment of urban poor but also it provided affordable goods and serviced to the urban population.

Many researchers have used different types of criteria to identify economic contribution of street vendors. According to the Bino and Sonny argument,

the economy of street vendors provides not only affordable food for the urban poor people, but also generates opportunities of self-employment. However, success of these tiny units is dependent on various networks that create this economy. Therefore, economic outcomes from these entrepreneurial activities could be embedded with the social relations through network (Bino& Sony, 2012). According to the Anetor(2015) Street vending is widely recognized to be the most proximate channel to the end consumers. There are different perspectives about street vendor’s contribution to urban economy. Different researchers have identified different criteria which are contributed to the urban economy by street vending. These criteria based on the recognition of the contribution that street vendors make to urban economy

**Table 1: Identified Criteria from Literature review**

<b>Criteria</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
Paying tax	√		√	√		√
Supply chain	√					
Employment		√	√	√		
Skills			√			
Generating Economic Activity			√	√		
poverty reduction				√	√	
Distribution			√			
generate work for others				√		√
Create Business for Wholesalers						√
Provide goods at lower rates than super Markets						√

(1)Lubaale;Nyang (2013), (2) Dinda (2010), (3) Roever, Informal Economy Monitoring Study Sector Report,Street Vendors (2014), (4) IEMS (2012), (5) Mramba (2015), (6) Mahadevia,Vyas,Mishra (2014)

The revenue that the local and central governments gained from street vendors work. The vendors purchase goods from variety of suppliers and

sell in appropriate location. Street vendors supply chain describe as from where they purchase goods and to where they sell. Street Vendors serve as customers, generating business for these wholesale markets. Many Street vendors are purchasing goods from wholesalers because they can earn more profits.

They used their skill to sell their goods and earn money. There are competition between vendors to sell their items therefore they have to work hard to earn daily money. Rover (2014) found that vendor's generated works for other by providing employment to head loaders, tea sellers, and rickshaw drivers when they engaged in their vending activity.

Street vendors play a key role as a distributor of goods in supply chain. They distribute retail goods at lower price in appropriate location. Many of them are acquired goods from wholesalers and distribute at lower price. The scholars have argued that street vendor's contribute to the urban economy from paying taxes, supply chain, as a Distributor, using their skill, etc. Their arguments were vary from each other. This study focus to identify Mobile vendor's contribution in Sri Lankan context by using selected criteria from literature.

Many Scholars have identified street vendor's contribution in various way and developed various arguments. Mramba (2015) studied about street vending activities and developed argument that street vendors contribute to the urban economy by reducing income poverty. By using literature Mramba has developed a model "conception of street vending business for income poverty reduction". From this model he identified how government, other authorities and NGOs intervene to the street vending activity and how it help to the reduce income poverty of street vendors.



## Methodology

A comprehensive literature review was conducted referring journals, conference proceedings, and books to identify the Local economy contribution. Preliminary Survey was carried out through questionnaire survey, focus group interviews and perceptions from both street vendors and responsible institutions.

Quantitative & qualitative techniques were used to interpret data. Supply chain analysis, simple statistical analysis and narrative analysis were used to analyse the data. The network diagram and mapping was used to interpret the economic linkages of mobile vendors.

*Table 2: Finalized Criteria*

Criteria Identified from Literature	Finalized Criteria
Paying tax	Tax Payer
Supply chain	} Supply Chain
Distribution	
Employment	} Creating Job
generate work for others	
Skills	
Generating Economic Activity	
poverty reduction	Poverty Reduction
Create Business for Wholesalers	Create Business for Wholesalers
Provide goods at lower rates than super Markets	

*Source:* Compiled by Author reviewing Literature

Numerous criteria were identified by scholars about identified Street vendors' contribution to the urban economy. Five criteria were selected to identify mobile street vendor's contribution to the urban economy in Sri Lankan Context. Mobile vendors are one of the distributor within the supply chain. Therefore select finalized criteria as supply chain. Employment & generating works for other due to their vending activity generate jobs for others. Therefore it identified as creating job.

Four criteria are ignored from my selection because this study focuses in micro level in Pettah context so it is difficult to identify macro level such as

comparing super market prices. Skill is ignored from my selection list, because this study focuses on economic perspective. Skill can't be measured in economic perspective to analyses MSV contribution in urban economy.

### **Mobile Street Vendors in Sri Lanka**

The organization Sevanatha (2002) mentioned Colombo it is generally assumed that over one third of the city's population engages in informal sector activities. It can be categorized into in term of jobs and business activities, in term of jobs they include unskilled workers in the city's markets and establishments, housemaids and domestic helpers etc. In terms of business activities, those engaged in pavement hawking activities, mobile vendors, (fish, vegetable, or ornamental goods and household items etc.) repair and cleaning activities, cart-pullers and many other business activities without recognized status are being called informal sector activities. Mobile Street vending is one of the main informal sector activities which can be seen in the cities.

Most case studies in various countries show the street vendors' contribution to the urban economy and it is very important part of the city. In Colombo city there are 8000-10000 street vendors in the informal economy (Sevanatha, 2002 as cited in Bhowmik K, 2005). According to the Census and Statistics department the GDP contribution from the informal sector is 62.7% (Statistics, 2011).

In 1979 MARGA institute conducted a survey in Colombo related to the informal sector activities. They have identified six categories of informal sector activities based on the type of enterprises.

1. Trade and commerce
2. Manufacturing and processing
3. Services

4. Transport
5. Agriculture and fishing
6. Construction

The largest concentration of activity is in trade and commerce. Trading activities are catering to the various consumer needs of the city residents and those daily commuting for work and business. The service activity which is the next in important deals with such enterprises as tailoring, laundering, etc. the manufacturing processing activity comprise small scale manufacturing units and food processing units. The transport activity comprises small scale operation of motor vehicles such as Lorries, vans and taxis and other vehicles serving the transport needs of the formal and informal sector. It also includes carriers of head loads in baskets. The agricultural enterprises comprised those engage in the cultivation and sale which are grown in the low lying areas of the city. Construction activities comprise such as masonry, carpenter, etc. (MARGA 1979, p27-28).

There are no specific a national definition for informal sector in Sri Lanka but they have identified key aspect of identifying formal and informal sector in Sri Lanka. Registration of the organization, account keeping practices of the organization and total number of regular employees of the organization are the key aspect of identifying informal sector in SL.

In Sri Lanka Street vendors consider as an informal sector and there were different argument of them. Due to some projects many stationary vendors were removed from their locations and given them to new locations.

Street vendors are the special and significant part of the Sri Lankan cities. According to the Bhowmik(2005) explanation street food vendors are the large and significant part of the urban population. He explained that the income of food vendors is higher than other vendors. According to a report

“the average daily income of a street food vendor is around Sri Lankan (SL) Rs 1,250 while the average daily profit generated...is approximately SL Rs 575. Most street food vendors operate for an average of 25 days a month. This means that they are able to generate a monthly average income of SL Rs 31,250 and an average profit of SL Rs 14,375. In comparison, the monthly income in urban Sri Lanka is SL Rs 23,436 and the national monthly household income is SL Rs 13,036” (Bhowmik K, 2005). This indicates that the contribution of street food vendors to the economy.

### **Data Analysis and findings**

#### **Types of Mobile Street Vendors by Nature of Good**

Mobile Street vendors in Bastian Mawatha area sell a variety of goods. Therefore MSV can be categorized into five groups according to their nature of vending goods. The five main items were, Bottle of Water or Snacks, Fruits, Toys and Fancy items, Sweets and Books. According to the focused group interview found contribution by Bottle of Water and Snacks (28%), Fruits (20%), Toys and Fancy items (23%), Sweets (10%) and Books (19%).

#### **Age Group Distribution of Vendors**

Nearly 33% of the street vendors in the sample are between 40-49 years of age, another 30% are between 50-59 years of age, and about the same proportion are either under 30-39 years old. There is a less participation of 17-29 year group for this vending activity.

*Table 3: Age Group Distribution of MSV*

<b>Age Category</b>	<b>No of Vendors</b>	<b>%</b>
17-29	1	2
30-39	17	28
40-49	20	33
50-59	18	30

More than 60	4	7
Total	60	100

*Source:* Field Survey , 2015

**Table 4: Years of Vending**

Years of Vending	No of Vendors	%
0-10	12	20
11-20	35	58
21-30	7	12
31-40	6	10
More than 41	0	0
<b>Total</b>	<b>60</b>	<b>100</b>

*Source:* Field Survey, 2015

## **Economic Linkages**

### **Wholesale and Retail linkages with MSV**

For those engaged in Mobile Vending activity, the potential profit margins to be made from selling goods in public space depend on wholesalers. According to the survey found from sample 92% of the vendors acquired their goods from wholesale traders and another 8% acquired goods from retailers.

**Table 5: Main Ways Goods are acquired**

Types of Trade	No of Vendors	%
Wholesale	58	92
Retail	5	8
<b>Total</b>	<b>60</b>	<b>100</b>

*Source:* Field Survey, 2015

Analysis of focus group data shows economic linkages between Mobile Street Vendors and Wholesale enterprises are higher than Mobile Vendors with retail linkages.

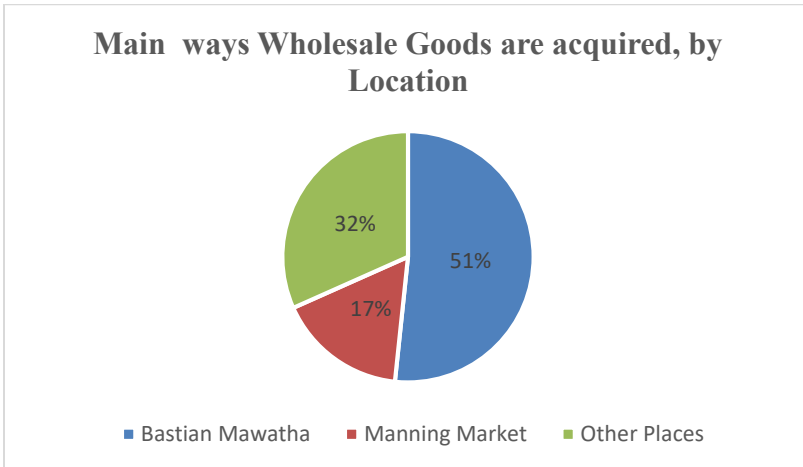
*Most of Mobile Vendors in Bastian Mawatha, they take goods from my wholesale trade. Our business depend on Mobile vendor's activity. About 15 books sellers and 20 water and snacks sellers take goods from my trade. They don't take good on credits but based on trust they take goods from me and sell. End of the day Mobile vendors pay my balance. I receive Rs.15000 income daily from Mobile vendors. They contribute not only our profits but also to the city economy by distributing different goods.*

*-Wholesaler in BM (Kandy water Center and Snacks Trader)-*

To begin with, mobile vendors reported that their main suppliers are located in Bastian Mawatha. Out of 58 Vendors 51% acquired goods from whole sellers in Bastian Mawatha, other vendors acquired goods from Manning market and other wholesale areas. (

figure 1)

Figure 1: Main Ways Wholesale Goods are acquired, by Locations

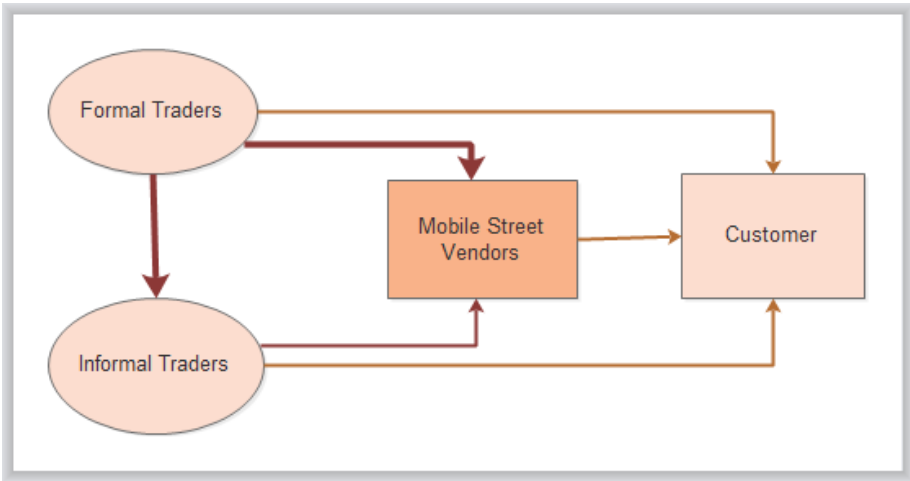


Source: Field Survey, 2015

### **Formal and Informal Linkages with MSV**

Many vendors in the sample survey, they take their goods from formal sector. About 80% of them take goods from formal sector and other 20% take goods from informal vendors. The mobile vendors who take goods from informal sector only take fruits from them.

*Formal & Informal Traders Linkages with MSV*



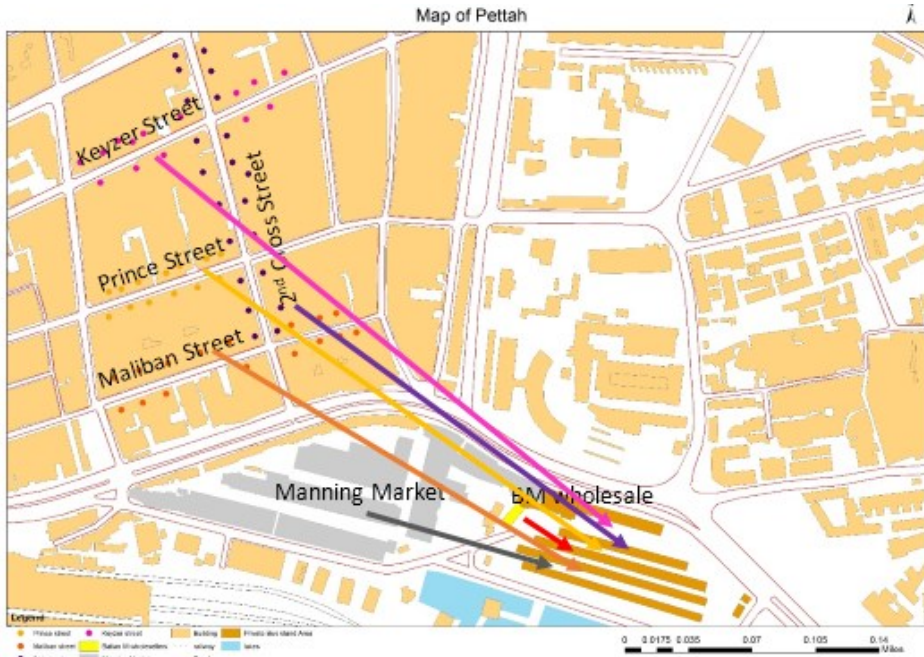
Within the urban public space, after Intervene the Mobile vendor into this linkage, customers take goods not only from formal and informal traders, but also they purchase goods from MSV.

There is a strong relationship between MSV and Formal Traders. It is about 80% and low relationship with informal traders. MSV contribute to the urban economy via this linkages.

### **Supply Chain of MSV**

Street vendors take a variety of goods from different suppliers within the city and outside of the city and sell those in Bastian Mawatha. Supply chain of MSV consist of both retail and wholesale trade areas of the city.

Figure 4.3: MSV Linkages with Different Goods Supply Places



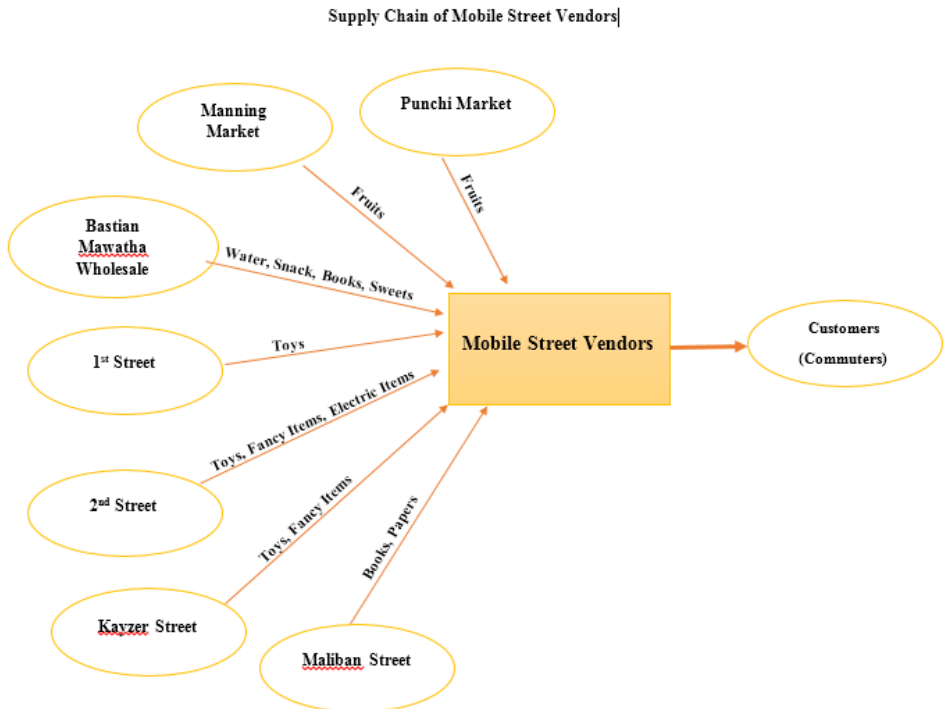
Source: Field Survey , 2015

The map also shows the bus stand, an important business hub for MSV and a space for exchanging of goods and services within and across the formal and informal economies in BM. The main customers of MSV are commuters. They distribute goods and services to the commuters by using this public space.

MSV take goods from Wholesale Street of Pettah, Bastian Mawatha, Manning market and Punchi Market. Punchi market is located between Manning market and BM private bus stand. This place are link with MSV because food processing activities are happening here such as cutting fruits and packing. MSV also part of the key element in Supply chain in Pettah This economic linkages show MSV also a part of urban economy.



## Supply Chain of MSV of Pettah



Source: Field Survey, 2015

Pettah has locational advantages to acquire goods. Many vendors are live in out of the city. But daily they travel to the city for their vending activities. Vendors can acquired their goods within the Pettah in a cheap price.

### **Creating Job**

Due to the Mobile vending activity jobs are created within urban public area. Many poorest people are attract to the vending activities. The survey data showsmany people engaged in this activity within the 5 years. This

data shows incensement of mobile vendors who has permission card. In present there are 20 illegal vendors are engaging in this activity. Those who are attracted this activity because it is easy to enter to the Market.

Table 6: Increasing Vending activity, by years

Years	No of Vendors
2010	30
2015	150

Source: Field Survey, 2015

MSV is a part of key player in supply chain. They mainly focus daily commuters who travel via Pettah. Due to Mobile Street vending activity there are no more jobs creating. A special job has created because of fruits Mobile vendors. The Intermediate persons engaged fruits processing activity such as cutting and packing fruits.

*There are 4 persons engaged in fruits processing activity in present and 16 fruits vendors are taking fruits from us. One person selling 150 packets per day and give our balance end of the day. We give one packet about Rs.25 and they sell it RS.50 and give our balance.*

*-Meena (Fruits seller in BM)-*

### **Paying Tax**

Focused group discussion data support the findings that Mobile Vendors not directly contribute to local and national government by paying revenue but they indirectly contribute to the economy through value added tax on the purchase of goods from wholesalers and retailers. The MSV who are in Bastian Mawathadid not pay any tax for CMC.

*In Sri Lankan context there is no any concept to collect tax from moveable things. We collect tax from immoveable properties. They are considered as an informal sector therefore we did not take license fees from them.*

*(Local Authority officer)*

They only pay welfare revenue for their trade association about Rs.300 per month. There are 150 permitted vendors and monthly they collect about Rs.45, 000. Therefore they become customers of formal financial institutions. Through these financial institution linkage they become a part of economy.

### **Apply Income Poverty reduction Model to Sri Lankan Context**

There are three component of income poverty reduction Model (Mramba, 2015) Intervention, Envisaged Effect on SVB and income poverty reduction.

- **Intervention**

In SL Street vending consider as informal sector activity. This group of people try to enhance their livelihood condition by engaging Mobile vending activity therefore past government has given permissioncard for them under the “DiviNaguma” concept. Under the Ministry of Economic Development only give permission card for them to do their business within the transportation hub area. As well as they have established trade association and they have registered it under the Cooperation Registered no S/10696. Trade association has constitution and every member have to do their business under that constitution rules.

This association also have given permission card for them to doing their business within their boundary. In Sri Lankan context there are only two parties have intervention for Mobile vending activity and they have decided Business location, SV license, policy.

- **Envisaged Effect on SVB**

Due to intervention of those two parties’ rules, policies, vending location and SV licensewere given for them. Therefore there are some envisaged

effect happened on MS vending activity. Good relationship between formal and informal sectors, Business location Certainty, Access to Goods and Services and Less confrontation with other vendors.

- **Income Poverty Reduction**

According to the Mramba (2015) model, he have identified four criteria that help to reduce income poverty such as Increase in Disposable income, More employment, More profit and Government revenue (taxes). In Sri Lankan context can use three criteria that are help to reduce income poverty of MSV.

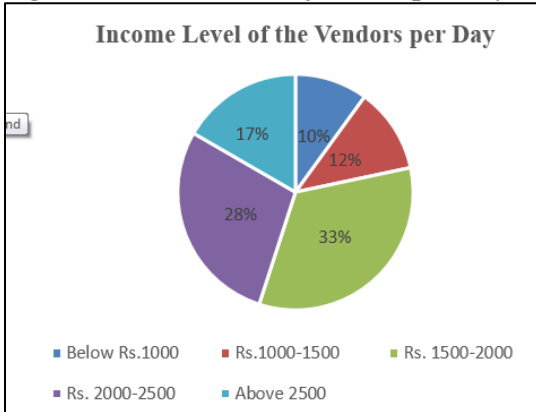
- ✓ **More profits**

The respondent's total income shows that about (33%) of the respondent's daily earning ranges from Rs.1500-2000. They are engaging vending activity every day therefore if we assume daily income as Rs.1500. they earn Rs.45, 000 profit per month. MSV are not spending initial cost for purchasing goods. Based on trust they take goods from suppliers and within the day they sell those goods and end of the day they settle the balance. They earns more profits without expending initial cost.

*The person who have permission card to doing business within the bus stand area they sell 150 Mango or pineapple packets per day. We give one packet for Rs.25 and they sell it for Rs.50. At the end of the day they settle our balance. Without any initial cost they earn Rs.3750 per day.*

*-Meena (Seller in BM)-*

**Figure 2: Income Level of MSV's per Day**



Source: Field Survey, 2015

According to their personal experience, by engaging Vending activity they can earn more profits per day.

*I take chain, rings and bracelets from 2<sup>nd</sup> street (Madeena wholesalers). I can earn near to Rs.3000 per day.*

<b>Item</b>	<b>Wholesale Price (Rs)</b>	<b>Selling Price (Rs)</b>
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Silver Chain	150	300
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Bracelet	40	100
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Gold color chain	20	50
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*I sell two chain and a pendant for Rs.100.*

*I sell these items to lower price than lower centers. Therefore the people who come from far away from the city area buy these items from me.*

*-Sisira (MSV in BM)-*

### ✓ **More Employment**

The people who can't access to formal job they engaged in informal sector activities. In present number of people engaged in mobile vending activities because it is easy to entry. There are 150 people have permission card to do their business within the BM area and 20 people engaged in this activity illegally. Mobile vending provide more employment opportunities to poor people.

From samplesurvey there are 62% of they are out of the Colombo and other 38% are within the Colombo. And also most of MSV are less educated . About 69% are secondary education level but they have gone up to grade 6 or grade7, 28% are primary education level and 3% haven't gone to school. Therefore they can't access to formal sector employment. So that MS vending provide more job opportunities for them.

### ✓ **Welfare Revenue**

Mobile vendors don't pay taxes to the government. They pay only welfare revenue for their trade association. Every member has to pay Rs.300 per month as welfare revenue. They use those money for vendor's welfare activities.

There are few groups intervene to the Mobile vending activity in Pettah. Due to this intervention they have got some opportunities. In Sri Lanka there is no business license for Mobile vending activity. Trade license are given by Local authorities. CMC is responsible institution for giving trading license in Pettah, but they haven't given any license for them, but those two responsible parties have given only permission card for them. In Pettah context Mobile vendors contribute to the income poverty reduction through more profit, welfare revenue and more employment.

## **Conclusion**

The analysis shows that MSV are key actors in the Pettah economy. Many of MSV are active and younger population group in the economy and majority of them are up to basic educational level. Due to this reasons formal sector jobs are out of reach for them. Therefore they have found self-employment opportunity as an informal vendor. Mobile Street vending are not formal sector in Pettah, but MSV contribute to the urban economy as an employment. Many MSV live out of the city, but they come to the Pettah for their vending activities because Pettah has location advantages. Then they can easily enter the Goods and Services.

Analysis shows there is an economic linkages between MSV and various economic actors in the Pettah. Therefore it shows Mobile Street Vendors contribute to the urban economy through their economic linkages, employment, creating jobs and income poverty reduction.

When considering the analysis it shows the MSV are highly attached to the economy of Pettah. The urban public space of Pettah facilitated the existence of MSV. Urban public space and busy street in Pettah MSV create livable place where they engaging in vending activities. Analysis reveals that MSV are key element within the supply chain of Pettah.

Mobile Street vending is not formal sector in Pettah, but MSV contribute to the urban economy as an employment. The study investigated various types of economic linkages of MSV. The network analysis shows that MSV are one of the key actors of wholesale and retail network. At the same time the MSV contribute to the urban economy through the supply chain of Pettah.

MSV earn more profit per day and they earn profits without expending initial cost. Therefore their income is high. In Sri Lankan context there is no mechanism to collect tax from Mobile street vendors but within their association they collect welfare revenue from them. The welfare revenue uses only for Mobile vendor's prosperity. According to the Pettah context Mobile Street vending supports to reduce income poverty of poor people. According to the analysis this study concludes that Mobile Street Vendors contribute to the urban economy through their economic linkages, employment, creating jobs and income poverty reduction.

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