

## **Contribution of informal sector women entrepreneurs to the tourism industry in eThekweni Metropolitan Municipality, in KwaZulu-Natal: Barriers and issues**

G.V. JIYANE<sup>1</sup>, D.N. OCHOLLA<sup>2</sup>, B.J. MOSTERT<sup>2</sup> AND M.K. MAJANJA<sup>3</sup>

<sup>1</sup>*Department of Information Science, University of South Africa, P.O. Box 392, UNISA 0003; Pretoria, South Africa. E-mail: jiyangv@unisa.ac.za*

<sup>2</sup>*Department of Information Studies, University of Zululand, Private Bag X1001, KwaDlangezwa, 3886, South Africa*

<sup>3</sup>*School of Arts, University of South Africa, P.O. Box 392, UNISA 0003, Pretoria, South Africa*

*(Received: 15 August 2012; Revision accepted: 28 October 2012)*

### **Abstract**

Informal sector entrepreneurs, particularly women, are providers of livelihoods in many poor and marginalised communities, especially in developing countries, including South Africa. These entrepreneurs are linked largely with the tourism industry by exchanging their goods, services, skills and knowledge with the industry. They are, however, prohibited from trading in some designated areas. This prohibition is closely related to the nature of the sector and types of business activities performed. This article aims to establish whether women entrepreneurs from the informal sector contribute significantly to the tourism industry and thus to the economy of the eThekweni Metropolitan Municipality. Focus-group discussions, interviews, observations and content analysis were used to collect data from these entrepreneurs and leaders in the eThekweni Municipality. The findings suggest that the tourism industry is a crucial sector in the eThekweni Metropolitan Municipality in terms of its contribution to the economy and is closely supported by informal sector entrepreneurs. However, even though these women entrepreneurs are regarded as contributing significantly to the tourism industry in this Municipality, their contribution is limited by a variety of reasons ranging from a lack of business skills and knowledge and the nature of their businesses to the by-laws of the municipality. A proper understanding of the importance of the informal sector entrepreneurs to the tourism industry and the revision of by-laws to accommodate issues involving these entrepreneurs will give this sector an opportunity to strengthen the tourism industry and thus the economic base of the eThekweni Metropolitan Municipality.

**Keywords:** Informal sector women entrepreneurs, tourism, KwaZulu-Natal, South Africa.

### ***How to cite this article:***

Jiyane, G.V., Ocholla, D.N., Mostert, B.J. & Majanja, M.K. (2012). Contribution of informal sector women entrepreneurs to the tourism industry in eThekweni Metropolitan Municipality, in KwaZulu-Natal: Barriers and issues. *African Journal for Physical, Health Education, Recreation and Dance*, 18(4:1), 709-728.

### **Introduction**

Tourism is growing in importance in developing countries like South Africa. For example, according to Ashley, Brine, Lehr & Wilde (2007), tourism arrivals increased in developing countries for the years 1990–2005. The annual average

growth rate of international tourism arrivals in developing countries was 6.5% compared to 4.1% worldwide over the same period. Statistics South Africa (2010) reported that tourist arrival performance exceeded that of 2009 across all months. The peak was observed in June, which traditionally is South Africa's low season. In the same vein the report, according to South African Tourism (2011), indicated that South Africa continued to outperform global tourism which grew by 6.7%, while tourist arrivals to South Africa grew by 15.1%.

It is stated in Ashley et al., (2007) and the International Centre for Responsible Tourism and the Scott Wilson Business Consultancy(2004) that the tourism industry has a substantial impact on local people and economies in many developing countries. In South Africa, tourist attraction lies in its diversity. There are some features which make South Africa an increasingly attractive tourism proposition such as accessible wildlife, varied and impressive scenery, unspoiled wilderness areas, diverse cultures (particularly traditional and township African cultures), a generally sunny and hot climate, a well-developed infrastructure and virtually unlimited opportunities for activities of special interest such as whale watching, white water rafting, hiking, bird watching, bush survival, deep sea fishing, hunting and diving (Tifflin, 2004). Additionally, the author states that unique archaeological sites and battlefields, the availability of excellent conference and exhibition facilities, a wide range of sporting facilities, good communication and medical services, internationally known attractions (Table Mountain, Cape of Good Hope, Sun City, Kruger National Park, Garden Route, and Maputaland) and unrivalled opportunities to visit other regional internationally known attractions (for example the Kalahari, Namaqualand and the Drakensberg mountains) make South Africa an almost complete tourism destination.

Ashley et al. (2007), suggest that tourism tends to employ a relatively high proportion of women and products such as foods and crafts, produced by women in the informal sector, are purchased. It is thus suggested that the informal sector should be part of tourism. In terms of the South African government's White Paper on the Development and Promotion of Tourism in South Africa (Department of Environmental Affairs and Tourism (DEAT), 1996), the tourism industry creates entrepreneurial opportunities as it accommodates a thriving and dynamic informal sector ranging from craft and fruit vendors to beach vendors and chair rentals. It also involves those previously neglected groups in the tourism business such as entertainment, laundry and transportation services, craft rental, arts, craft and curios sales, tourist guides and walking tours of places of interest, teaching African languages and customs to interested visitors, restaurants emphasising local cuisine, guest houses and beach manicures and pedicures and so forth. The study reported on in this article aimed to establish whether informal sector businesses, especially those operated by women, have any economic significance to tourism and contribute to the tourism industry in

South Africa. The study firstly sought to establish the nature of the informal businesses of the informal sector women and whether they contributed to the tourism sector. It also examined the by-laws in the municipality concerned to determine whether they had any effects on informal sector businesses.

### **Tourism industry in South Africa**

The tourism sector was recognised as one of the largest industries globally (DEAT, 2009). In South Africa, the government recognises the tourism sector as one of the fastest growing industries nationally. It also recognises its impact across the wider community, its ability to diversify the economy, and its potential to contribute to poverty alleviation, create employment and contribute to the gross domestic product (GDP) (DEAT, 2009). Similarly, Garden Route Investments (2006) had already stated that the tourism industry is widely regarded as one of the most promising growth sectors in developing countries, which includes South Africa, especially the Western Cape and the Southern Cape. The 1996 White Paper appreciates the importance of tourism especially to the informal sector by indicating that tourism creates opportunities for the small entrepreneur, while promoting awareness and understanding different cultures. Ashley et al. (2007), stated that, internationally, tourism was more labour intensive than other sectors which had all along been regarded as such, for example the agricultural sector. Ashley et al. (2007) also refer to the observation that the tourism sector is linked to the informal sector. The authors stated that the tourism sector used a relatively high proportion of unskilled or semi-skilled labour. Hence, in some countries tourism was an important source of employment for poor people, because it may be the only formal employment option— especially for rural dwellers (Ashley et al., 2007). Similarly, numerous unskilled or semi-skilled workers have been observed to work in the informal sector.

The relationship of the tourism sector with the informal sector was particularly evident in the tourism value chain where tourism drew on inputs from the food and beverage, construction, transportation and furniture sectors and many others (Ashley et al., 2007). In many instances, these were informal businesses. Garden Route Investments (2006) had also observed that the tourism industry was dominated by small and medium-sized enterprises as well as the informal sector.

Often tourism ventures were based in communities and could therefore improve the situation of those communities. Local people, especially those who were artisans, could supply local products to tourists. Crafters, bead workers and hairdressers could supply them with unique products that they would be proud to take back home. In that way the good relationship between the tourism and informal sectors should be strengthened while the economic base of the local people was expanded.

## **Informal trading in South Africa**

Although the concept “informal sector” was coined by Keith Hart in the early 1970s to describe the range of subsistence activities of the urban poor (Devey, Skinner & Valodia, 2006), it has since been criticised in terms of its definition. In 1972 the Kenya report of the International Labour Organization (1972) defined informal activities as a way of doing things, characterised by ease of entry, reliance on indigenous resources, family ownership of enterprises, small scale of operation, labour intensive and adapted technology, skills acquired outside of the formal school system and an unregulated and competitive market.

According to statistics South Africa, the unemployment rate in South Africa was high (23.3%) in 2010. The informal sector in South Africa was an important part of the economy that generated wealth and created employment opportunities for many unemployed people. Devey et al. (2006) explained that informal activities in the informal sector encompassed different types of economic activity (trading, collecting, providing a service and manufacturing) different employment relations (the self-employed, paid and unpaid workers and wage workers) and activities with different economic potential (survivalist activities and successful small enterprises). In South Africa this sector also included transportation (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).

Although statistics indicated that the size of the informal sector in South Africa was changing, they did not include domestic workers and those employed in agriculture. Essop and Yu (2008) report that the 2006 September labour force estimates were that approximately 22% of the employed were engaged in informal sector activities as their main work to sustain themselves and their dependants. McLachlan (2005) asserts that the South African informal sector was predominantly made up of women and this was because of the migration of males into the formal sector which includes mines. Jiyane and Mostert (2008) indicate that women were extremely vulnerable because of their relative lack of education and training, leaving them with little option other than working in low paid, low skilled jobs or in the informal sector. The report by Makhlo Communications (Department of Economic Development 2009) indicated that women made up 48% of informal sector operators.

The high number of women in the informal sector had been observed and highlighted in the literature (Jiyane & Mostert, 2008; 2010; Carr & Chen, 2004; Chen et al., 2002; Ikoja-Odongo, 2002). The reason for this high number was

that women had always been marginalised (Ocholla, 2006; Jiyane & Ocholla, 2004; Mooko, 2002; Ikoja-Odongo, 2002), and that such women were found in rural areas (Kwake, 2008).

Other reasons why more women than men were forced to work in the poorly paid and unregulated informal sector are the limited opportunities in formal employment (Department of Trade and Industry (DTI), 2005). The increase in the number of informal sector businesses was also caused by migrants. According to Williams, Gouws, Lurie and Crush (2002), there was a growing number of women who chose to be migrants in search of opportunities outside their home countries. The largest proportion of women migrants in South Africa was from Zimbabwe and they constituted 44% of all Zimbabwean migrants (Lefko-Everett, 2007). Most women migrants came for the purpose of informal cross-border trading bringing crafts and woven baskets and taking back basic commodities in short supply in their home countries.

The special 2005 report of the DTI in South Africa highlighted a major problem regarding a lack of empirical studies on women entrepreneurs and the inadequate quality of statistical data. The report further indicated that the research on women entrepreneurs' contribution to the economy was non-existent and only a few studies point to a general profile of women entrepreneurs in South Africa. Most international studies had attempted to study women in the formal sector; and other studies on women entrepreneurs in Africa and South Africa relate to those who were uneducated and poor working in the rural areas or the urban informal sectors (DTI, 2005).

### **Policies that guide small businesses**

Local government had an influence on tourism in South Africa. It had some obligations regarding tourism and provided a context for intervening in tourism such as having initiatives in place that could influence tourism development including land use planning; monitoring related developments and local economic development planning that ensure that outputs are consistent with local needs (Department of Environmental Affairs and Tourism, 2009). Each country should have had policies in place that regulated the operation of businesses, including small businesses, so that support measures could be easier and more manageable. South Africa drew its small business policy from the 1995 White Paper on the Development and Promotion of Small business in South Africa and the black economic empowerment (BEE) codes of good conduct and the Preferential Procurement Policy Framework Act of 2000 resulted from this. In terms of BEE there were procedures that applied when businesses bid for work from the private sector. The Preferential Procurement Policy Framework Act provides that 10% or 20% of the points awarded to a bidder should be for the percentage of ownership in the bidding company of women, Africans or disabled

people. In Brazil a funding agency called Banco Nacional de Desenvolvimento Economico Social supported small businesses (Timm, 2011) which made it easy to take care of small businesses in need of support and nurturing. However, Timm (2011) observed that policies and schemes to support small businesses appeared to be less successful in South Africa which had extremely complex government-support matrixes, where the government's funds and agencies are distributed across different institutions, for example the National Empowerment Fund, Khula, National Youth Development Agency, South African Micro Finance Apex Fund and the Industrial Development Corporation (Timm, 2011). This situation, said Timm, resulted in a lack of a co-ordinated strategy and was confusing to both businesses and government officials.

An awareness of government support and the agencies that were mandated with this work was crucial for access as well as general information. The literature supported Timm (2011) in the observation that awareness of government support and some agencies was very limited. For instance, Jiyane and Mostert (2008) pointed out that agencies such as the Small Enterprise Development Agency (Seda), Khula Enterprise Finance, Manufacturing Advice Centres, Ntsika Enterprise Promotion Agency and sector education and training authorities (SETAs) were in place to assist small businesses, but most of them excluded informal sector entrepreneurs by virtue of the requirements expected of them. Additionally, even though many of these structures had been in existence for some time, very few informal sector women entrepreneurs knew about them or even utilised them.

There were, however, plans in place in some parts of South Africa to reshape the policies dealing with assistance to the informal sector. For example, the Sol Plaatje Municipality had acknowledged the relevance and contribution of informal trading to the economic and social life of the city (Department of Local Economic Development (LED) (2004) and had formulated a draft informal trading policy and management framework accordingly. This framework would consider the following key areas that pertained to informal trading in the Sol Plaatje Municipality:

- policy formulation and revision
- regulation and enforcement
- developmental responsibilities
- management/operations

Similarly, the Department of Economic Development in KwaZulu-Natal had a draft policy for the informal economy in place from 2009 (Makho Communications, 2009). The basic principles underlying this policy are economic, social and spatial principles (2009:3).

### *Economic principles*

In these principles, it is believed that any intervention in the informal economy has to be based on considerations of equity, welfare, efficiency and effectiveness.

### *Social principles*

These principles focus on the promotion of equity in the province to create a dignified province.

### *Spatial principles*

According to these principles, informal economy contributes to the value of public places such as amenities and places of dignity and has the potential to be a catalyst for generating positive public spaces. Before this policy there were no policies in place to support the informal economy in KwaZulu-Natal (Department of Economic Development – KwaZulu-Natal, 2009). The objectives of this draft policy were:

- to promote co-operation between all spheres of government; between departments in provincial government; between the private and public sectors and between informal economy actors and government officials.
- to develop guiding principles that could be applied in supporting and developing the informal economy.
- to create support mechanisms or an enabling environment for the informal economy since the existing legislative framework was geared mainly towards policing, regulation and taxation.

This draft policy had subsequently been unveiled in 2011 by Mabuyakhulu in eThekweni Metropolitan Municipality. On unveiling the new legislation of eThekweni street traders at Curries Fountain in May, the MEC mentioned that the informal sector had made around 12% of the province's gross domestic product and hence government was looking at new measures to develop the sector (Subban's report for eThekweni Metropolitan Municipality Local Newspaper, Ezasegasini, 2011). The report further states that, according to the MEC, the policy did not only include new regulations whereby street traders would formally register their businesses and create a forum to hold talks with government, it would also look at by-laws that specified where traders were permitted to work. According to the report, the outgoing Deputy Mayor, Mr Logie Naidoo stated that allocating and developing space for informal traders in large areas where there are customers in the form of pedestrians and natural markets are some of the things the new policy raises. Naidoo further reiterated that the new policy would help informal traders by:

- bringing uniformity to the way municipalities in KwaZulu-Natal regulate the informal economy.
- requiring municipalities to establish an informal economy chamber to improve the participation of traders.

### **Problem statement**

Informal sector business activities are essential in boosting the tourism industry. Some tourism suppliers of both products and human resources come from the informal sector. With the tourism industry beginning to open up opportunities, also for those who were marginalised before 1994, it is evident that people who enter the industry may not have the required business skills. The informal sector is predominantly occupied by women and entry and engagement in this sector do not require any special skills, education and knowledge of technology. It is evident that this raises a concern regarding the significant contribution of the informal sector to tourism. Moreover, a policy is in place to regulate informal sector activities and their meaningful contribution to the tourism industry and also to the economy. Additionally, the eThekweni Metropolitan Municipality by-laws may not support informal traders in their attempt to contribute to the tourism industry. These by-laws which were passed specifically for the FIFA World Cup 2010, from which informal traders were hoping to benefit, were as follows:

- 'Authorised officials' will be empowered to enforce the provision related to advertising, controlled access sites, public open places and city beautification, public roads and traffic guidance as well as street trading.
- Familiar sights to South Africans who regularly attend soccer matches will, for the most part, be absent during the world cup. Informal traders will no longer be allowed to sell their wares around the stadia and other demarcated areas, car guards will no longer be watching cars by the side of the road and no one will be able to sell anything which resembles anything to do with the World Cup for the next three months (Lawyers for Human Rights, 2010).

### **Study aims**

The aim of the study was to establish whether informal sector women entrepreneurs contributed significantly to the tourism industry and thus to the economy of the eThekweni Metropolitan Municipality.



The following objectives were specifically set for the study:

- to describe business activities performed by the informal sector women entrepreneurs in the eThekweni Metropolitan Municipality
- to determine how the informal sector business activities contribute to the tourism industry in eThekweni Metropolitan Municipality
- to establish whether the government, policy-makers and the municipal by-laws create an enabling business environment for informal sector women entrepreneurs to contribute to the tourism industry
- to determine what needs to be done to support informal sector women entrepreneurs so that they could contribute significantly to the tourism industry in eThekweni Metropolitan Municipality

## **Methods**

This study used a mixed method research design; an approach in which one data set provides a support role in a study based primarily on another set data (Creswell, 2009). However, a qualitative approach had more weight in this study. Denzil and Lincohn (2005) note that a qualitative approach is a useful method for studying human actions in their natural setting; in an attempt to make sense of or interpret phenomena in terms of meanings that people bring. This enables the process to take place naturally, in a natural setting, so that the phenomenon unfolds naturally, without any predetermined course (Patton, 2002). The researcher and the participants met where they conducted their informal business activities. The setting was relaxed since they were familiar with the environment in which they were working and it supported natural participation.

### ***Data collection tools***

For the purpose of triangulation, a combination of data collection methods was used in this study. Focus group discussions (FGDs), interviews and observation were used to collect data, with FGDs as the principal data collection method. FGDs were held with 78 informal sector entrepreneurs at eThekweni Metropolitan Municipality between June and July 2010. FGDs were considered the most appropriate instrument to use among the informal sector women entrepreneurs, because they allowed for in-depth and probing discussion (Neuman, 2006). The opinions of the women were obtained in a short period which allowed time to conduct another focus group in order to cover as many women entrepreneurs in the informal sector as possible. FGDs also provided a quick and cost-effective method of obtaining a large amount of information (Oberg & Easton, 1995) and they were ideal for exploring people's experiences, for example their selling experiences during soccer matches previously in other playgrounds, opinions, for example the way they do trading and how the trading permits should be handled, wishes and concerns for example their wishes for

improved trading places and their concerns about crime and insecurity at their trading places (Kitzinger & Barbour, 1999). Participants also had the opportunity to relate to one another, which means that they were less inhibited than in a one-on-one interview (Kerslake & Goulding, 1996).

Interviews were also conducted to collect data. An interview is a data collection method that should preferably be conducted in a face-to-face setting using an oral question-and-answer format which poses the same questions to all respondents in a systematic and structured way (Payne & Payne, 2004). The interviews that were conducted with the informal sector women entrepreneurs sought only personal information. An interview schedule to obtain information on age, level of education and type of informal business activities performed was developed.

Observation was another method used to collect data. This gave the researchers genuine first-hand experience and explained some issues, behaviour and opinions that were raised by informal sector women entrepreneurs during the interviews. This led to a better understanding of why things were the way they were, rather than depending only on what the women entrepreneurs said.

### ***Population and sampling***

The study population was informal sector women entrepreneurs. It included crafters, weavers, dressmakers, hairdressers, vendors and hawkers in the streets of eThekweni Metropolitan Municipality. The vendors and hawkers sold fruit, vegetables, fast food, clothes and haberdashery. However, artisans were more difficult to reach and non-probability sampling techniques were, therefore, used since the study was mainly qualitative in nature. Two types of non-probability techniques that were used were snowball and haphazard sampling. Snowball sampling allowed the first group of women informal traders to refer the researcher to other groups performing the same informal business activities in other places. Since there is no list of informal sector businesses in the eThekweni Metropolitan Municipality, it was difficult to know in advance which informal businesses could be found and where; haphazard sampling was then employed. This helped the researcher to select the participants in a way that was convenient.

According to the literature (Viruly Consulting, 2004; City of Durban: Informal Trading and Small Business Opportunities, 2000; Gumede & Zuma, 2000), informal sector businesses are found at the intersections of roads, bus ranks, taxi ranks, train stations and in front of formal businesses or buildings. The first stop for the researchers based on this information was the eThekweni taxi rank, widely known as Durban station. The Wheel, Umlazi F&G Taxis and the Market were visited through referral. In order to gain access to the women, the researcher talked to the women leaders who introduced her to the informal sector women and arranged a suitable time for the FGDs and interviews to be conducted.

## **Results and discussion**

### ***Personal information of the participants***

It was important to obtain personal information of the participants, although this was not one of the study objectives, to enable the researcher to see if there was any correlation between their participation in informal trading and their characteristics.

#### ***Age***

Ten (13%) of the women surveyed were aged 56 or above, while 59 (76%) were between 30 and 55 years. Nine (11%) were younger than 30 years but older than 20 years. The findings indicate that 76% of women between 30 and 55 years took part in informal sector activities. This is not surprising because in this age bracket, women are generally still active in child bearing and rearing and have family responsibilities. Therefore, these women could engage in informal sector activities if they wanted to supplement their income or take care of family members who were unemployed. A significant number (10) of women in the age bracket of 56 years or above were also engaged in informal sector activities. Due to social ills, many young people were either unemployed or had passed on, and left their children in the care of their parents who are elderly. The relatively low number of elderly women engaging in informal sector activities could be a cause of this situation. They are the only breadwinners in the household or they are taking care of their grandchildren whose parents had passed on because of the HIV/AIDS pandemic. This could also be interpreted as the older women wanting to supplement their government pension with informal activities.

#### ***Level of education***

Twenty one out of 78 women entrepreneurs had no formal education, while 48 had primary school level education only. Nine women entrepreneurs had secondary school level education and none had tertiary level education.

The findings indicate that the majority (62%) of the participants had completed only primary education and 27% did not have any formal education at all. This is in line with some literature (Ikoja-Odongo, 2002) which raises the issue that the low level of education of informal sector participants limits them from taking part in many platforms such as expanding their businesses and participating in forums where they can acquire more advanced business knowledge and skills. This could also raise concerns about their business management and financial literacy skills.

### ***Marital status and reason for informal sector trading***

The findings indicate that 11 women were widowed or had been deserted, 47 were single and 20 were married. The women were further asked why they engaged in informal trading. The majority, 63 (81%), wanted to supplement their income, either because they were providers and they could not support their families with what they earned; or they were single and not working anywhere else and were the ones who had to provide for their children. Those few women, 11 (14%), who indicated that they had been deserted by their husbands presented that reason for coming to eThekweni Metropolitan Municipality to look for jobs to provide for their families.

Out of 78 surveyed women entrepreneurs who were engaged in informal activities in the eThekweni Metropolitan Municipality, the majority (47; 60%) were single, while 20 (26%) were married. This is no surprise because South Africa is experiencing high unemployment, especially among young employable people (Statistics South Africa, 2010). If potentially employable people cannot get employment the alternative is to engage in any form of income-generating activity; including in the informal sector. It has become a trend that even though women are married, they want to work in order to supplement the income of their husbands or to be financially independent. Understandably, single women have a responsibility to their families, which could include their children, their parents and other household members. It was interesting to note that men in South Africa are still practising the habit of going to the big cities to look for employment and never returning home to their families. They start second families in the cities and neglect or desert the original families in the rural areas. In eThekweni Metropolitan Municipality some of the women surveyed had been deserted by their husbands in this manner.

### ***Informal business activities in eThekweni Metropolitan Municipality***

Of the 78 informal sector women entrepreneurs surveyed, 34 were artisans and 44 were involved in small-scale businesses. The latter sold fruit, vegetables, t-shirts, caps, second-hand clothes, cooked food and raw meat. Of the 34 artisans, 8 were weavers, 6 were bead workers, 11 were dressmakers and 9 were hairdressers. The informal sector activities are very important, even those performed on a small scale. They support tourism because they are local communities' brand products especially those who are involved in weaving, working with beads, dressmaking and hairstyling.

### ***Informal businesses' contribution to tourism***

The participants were asked whether they sold their products to tourists and how their clients regarded their products. This question was asked to determine whether these informal sector women entrepreneurs were aware of the tourism industry, to which they could link their businesses, or whether they had not thought of expanding into this market. Some women indicated that they did not know how to enter the tourism industry. However, some of the women, especially the beaders and weavers, indicated that they sometimes heard about the exhibitions at the Durban International Convention Centre (ICC) and attended these exhibitions to sell and showcase their work— although very rarely. Others said that they often heard about the exhibitions long after they had taken place or only a few days before they took place and could not sufficiently prepare their best products and therefore did not take part.

The informal sector women entrepreneurs, particularly those who were in small-scale businesses, indicated that sometimes they were not allowed to go near big events places, such as stadiums, to sell their products. They were told that the laws do not allow informal businesses to sell near those places. If they did set up near these tourist places, they chose stands far away not to be chased away. In particular, they mentioned the 2010 Soccer World Cup where their excitement of showcasing their products next to the Moses Mabida Stadium in eThekweni was not supported because of the Federation International Football Association (FIFA) requirements.

### ***Government laws/municipal by-laws***

The informal sector women entrepreneurs mentioned that they were always reminded of the designated places where they could operate. They indicated that the Metro police were always checking to see if they still worked in the designated areas. They were, therefore, restricted to go to places where they thought they might get good returns for the day or weekends because of a specific event or match. If found in restricted areas, the 'sweeping the streets'-campaigns would automatically take place. The initial aim of 'sweeping the streets' campaigns was to literally clean the streets and other areas such as beaches, residences, ranks and stations. However, these campaigns had also been carried out to take the products of people who sell 'illegally' in the streets.

The women were asked if they were aware of the laws that had recently been signed to 'assist' them in terms of 'decent' places to which they could relocate to operate their businesses. They indicated that they were aware that the Minister of Economic Development, Mabuayakhulu, was trying to 'assist' them by developing and signing a document for informal businesses in KwaZulu-Natal, especially in the eThekweni Metropolitan Municipality. However, they opposed

the idea, because in the document, proposals were made to relocate them to places that would not benefit them and that were not as busy as the places they had chosen themselves.

### ***Support measures from the municipality***

The participants were asked if they received any support from the government as they traded informally. The question was asked in order to establish whether there was support of any kind from the municipality relating to their informal trading and whether there were measures in place to manage informal trading in the Municipality. The participants indicated that they did not receive any support from the municipality. When they were further asked what kind of support they would like to receive from the municipality, especially support that would link them to or strengthens their relationship with the tourism industry, they had several responses that are listed in Table 1. They also indicated that they were confused as to who was responsible for their management between the Municipality, the Traffic, the Economic Development Department or the Business Area Management.

### **Discussion**

It was found that the majority of informal sector women in the eThekweni Metropolitan Municipality who engage in informal sector activities are in the age bracket that should be formally employed. However, because they are unable to find formal and decent employment they resort to informal activities. Additionally, the characteristics of informal sector women entrepreneurs, such as low level of education, marginalisation and family problems (being widowed or deserted), limited their chances of getting decent jobs in the formal sector. As a result of these issues, they lack the required business skills and knowledge.

The informal sector activities carried out in the eThekweni Metropolitan Municipality are important for the tourism industry. They are community brand products and they could be of value to tourists if they could be brought close to the tourist sites or there should be proper trading sites which could be conducive for both the tourists and the traders. Tourists like to take the products of the country they visited back home or taste its unique food and wines. Thus informal sector activities will always be of importance as far as the provision of goods and services to the tourism sector is concerned. The tourists could be transported from their accommodation to the area by means of arranged transport. This could bring a sense of security to them and present them with an opportunity for site seeing the area and nearby areas in the process.

Informal sector women entrepreneurs provide services, such as traditional food and catering, travel-related services and goods to the tourism industry. But in many instances, the information about tourism events in their localities reaches them at short notice or even after the events and they can, therefore, not take advantage of participation. In other instances, they are not allowed to be part of a tourism event because of the by-laws that prevent them as informal traders from participating.

**Table 1:** Assistance that informal sector women entrepreneurs would want from the municipality

<b>Support</b>	<b>Explanation</b>
Products and required standards	In many instances their products are regarded as inferior or of a low standard. They need assistance from the municipality to erase that perception so that their products are also assessed as genuine and can attract the tourists' interest. Through good training and skills, this could be achieved.
Marketing and promotion of products	The overall lack of information and awareness of tourism sessions in which the informal sector women entrepreneurs can participate limits their meaningful involvement and thus their contribution to tourism. Barriers to entry also limit informal sector women entrepreneurs in penetrating the tourism market because the big, recognised and reputable companies deny them the chance of taking part. The majority of people working in the informal businesses have a low level of education and poor business skills, therefore marketing the products is very rarely done. Therefore even if the products are of a high quality, the skills to market them are lacking. This also relates to education and training in business management and sustainability. The lack of a market is a problem. It has been observed that visitors or tourists stay in hotels and do not visit local places where they see community products. Therefore even if the entrepreneurs possess marketing and promotion skills, the target market is inadequate and inaccessible.
Infrastructure and security	The places from which they operate lack the necessary infrastructure or technology. They also operate in places which are not totally secure. This causes visitor concern about security. A lack of infrastructure also usually means unreliable transportation. They are thus unable to frequently transport their products to the suppliers or tourists, or reach places for delivery of those products and services.
Finance	The informal sector businesses do not yield enough money to invest or to expand the business. This means that they cannot take meaningful advantage of the opportunities they can seize in the tourism industry. Hence they need support from the municipality.
Education and training	Since many informal sector activities are performed by women who have been marginalised and thus lack skills, knowledge and even adequate education to deal with tourists in terms of language, they need to be educated on how they can sell their products to the tourists. The literature (DEAT, 2002, p. 5) indicates that the majority of South Africans have never been meaningfully exposed to the tourism sector. It is therefore understandable that these women feel that they need the support from the municipality in the form of short training and education courses.

In this way they do not become part of the event and, thus, do not make any meaningful contribution to such an event and, ultimately, to the economy. Giving them segregated and demarcated areas in which to operate limits their exposure and participation to showcase their products and increase their sales. Although grouping them in a certain place could improve the support measures and strategies for them, it is regarded as further marginalisation; the ‘sweeping the street’- campaigns, conducted by the Metro Police, also do not provide security to them and their products.

Informal sector women entrepreneurs are often aware of their limitations and, accordingly, request some support measures from the government. Education and training will enable them to interact with their clients and would also equip them with the necessary business skills and knowledge. They are also concerned that, since they have not been participating in tourism events, their products and services could be of a low standard. They want their informal businesses to meet the required standards of skills to market and promote their informal businesses as well as access to finance were also mentioned as factors limiting meaningful contribution. The places where they work do not have the proper infrastructure and are not secure enough for tourists to visit their sites in order to view the products. Transportation also featured as a problem as the infrastructure is not good and transporting the products to the tourists or sites, therefore, becomes an issue. The issue of their management also transpired. The informal sector women entrepreneurs raised concerns that they did not know to whom they had to report – the Department of Economic Development, Traffic Department or the eThekweni Metropolitan Municipality. They indicated that it was crucial to know in order for them to have one management system with its requirements to follow and report to rather than having various sections ‘addressing’ their issues.

## **Recommendations**

The following recommendations are made based on this study undertaken among informal sector women entrepreneurs of the eThekweni Metropolitan Municipality.

- That continued compulsory education constantly be emphasised among young female children. Those who have already left school without adequate education should be allowed to acquire some form of education through adult basic education with the support of the Department of Basic Education in conjunction with the eThekweni municipality. It is also recommended that the government try harder to bring employment opportunities closer to the rural communities so that families remain intact and there are fewer neglected women and children. Factories and an infrastructure should be developed in rural areas that will provide employment opportunities for women. This could reduce the number of women having to enter informal employment because their husbands go to big cities and never return to support their families.



- That the informal sector entrepreneurs be supported by the eThekweni municipality in order for them to provide services of a good standard to the tourists who visit their localities. Business management, pricing, financial literacy, security, infrastructure and basic business education can assist in this regard.
- That the by-laws of the eThekweni Metropolitan Municipality (see the problem statement section) be revised and policies are revisited to include support measures for the informal sector businesses even beyond 2010 FIA World Cup soccer matches. This would give them a sense of belonging to the municipality and they would thus be able to participate meaningfully in events and contribute to the economy by supporting the tourism sector in the municipality. The municipal officials could visit all the informal businesses, especially those operated by the women, to establish their needs and come to an agreement with them on the basis of their needs so that provision and support are in accordance with the needs of informal sector women entrepreneurs and aligned with the by-laws of the municipality and demands of the industry.
- That the municipality attend to the factors limiting the contribution of informal sector entrepreneurs. Education and training courses to teach them skills and the know-how to conduct their businesses should be presented as short learning programmes– this should be accompanied by marketing skills. A body to help measuring the standards of their products should be in place so that they could provide quality products in an acceptable manner that will put them on the map. Infrastructure is still a problem and results in little or no security at all for them and their businesses. The municipality should provide infrastructure that could assist them to work well and be secure without fear. Security personnel should be provided so that they do not become victims of crime. When there is good infrastructure, transportation will also improve and it will be easier to move around in the area; it will also improve access to their products and sites by tourists. One organisation dealing with the management of informal trading in eThekweni Metropolitan Municipality be in place to eliminate confusion regarding reporting and management. By doing so, the tourism industry will have a direction should the need arise to contact the informal traders for any reasons related to trading.

## **References**

Ashley, C., De Brine, P., Lehr, A. & Wilde, H. (2007). The role of the tourism sector in expanding economic opportunity. *Economic Opportunity Series*, Harvard University. Available at <http://www.harvard.edu>. (04 May 2011).

Carr, M. & Chen, M. (2004). *Globalization, Social Exclusion and Work with Special Reference to Informal Employment and Gender*. Policy Integration Department Working Paper No. 20. Geneva: International Labour Office.

Chen, M., Jhabvala, R. & Lund, F. (2002). Supporting workers in the Informal Economy: A Policy Framework, Working Paper on the Informal Economy No.2. Geneva: International Labour Organization.

Chen, M.A. (2001). Women in the informal sector: A global picture, the global movement. *SAIS Review*. Winter-Spring.

City of Durban: Informal Trading and Small Business Opportunities (2000). Durban Informal Traders Management Board Annual General Meeting. Draft Report on Key Issues Document Discussion by Working Groups-9th June 2000. Available at [http://scnc.ukzn.ac.za/doc/GEOG/durban/Grest-J\\_Urban\\_citizen\\_governance\\_Warwick\\_Junction\\_Project.pdf](http://scnc.ukzn.ac.za/doc/GEOG/durban/Grest-J_Urban_citizen_governance_Warwick_Junction_Project.pdf). (23 June 2012).

Creswell, J.W. (2009). *Research Design: Qualitative, Quantitative and Mixed Methods Approaches* (3rd ed.). Thousand Oaks: Sage.

Denzil, N.K. & Lincoln, Y.S. (Eds.) (2005). *The Sage Handbook of Qualitative Research* (3<sup>rd</sup>). London: Sage.

Department of Economic Development - KwaZulu-Natal (2009). *Draft Policy for the Informal Economy of KwaZulu-Natal: Creating an Enabling Environment for the Informal Economy*. Makho Communications.

Department of Environmental Affairs and Tourism (1996). *White Paper on the Development and Promotion of Tourism in South Africa*. Pretoria: Government Printers.

Department of Environmental Affairs and Tourism (2009). *The South African Tourism Planning Toolkit for Local Government*. Pretoria: Government Printers.

Department of Local Economic Development – KwaZulu-Natal (2004). *Draft Informal Trading Policy and Management Framework*. Durban: Makho Communications.

Department of Trade and Industry (2005). *South African Women Entrepreneurs: A Burgeoning Force in our Economy, A Special Report*. Pretoria: Government Printers.

Devey, R, Skinner, C. & Valodia, I. (2006). *Second best? Trends and linkages in the informal economy in South Africa*. Development Policy Research Unit, Working Paper 06/102. Available at <http://www.commerce.uct.ac.za/dpru>. (03 May 2011).

Essop, H. & Yu, D. (2008). *The South African Informal Sector (1997–2006)*. Stellenbosch Economic Working Paper: 03/08. Stellenbosch: Stellenbosch University.

Ethekwini Metro Municipality Ezasegasini (2011). New Policy to help informal traders. 3–16 June 2011. Available at <http://www.durban.gov.za>. (23 June 2012).

Garden Route Investments (2006). Mobilising the private sector for tourism development. (Available at <http://www.gri.co.za/55047.aspx>. (23 June 2012).

Gumede, T. & Zuma, B. (2000). Political Science Honours research Report: Electricity use by informal traders in the Warwick Junction. Available at [http://scnc.ukzn.ac.za/doc/GEOG/durban/Grest-J\\_urban-citizenship\\_governance\\_Warwick\\_Junction\\_Project.pdf](http://scnc.ukzn.ac.za/doc/GEOG/durban/Grest-J_urban-citizenship_governance_Warwick_Junction_Project.pdf). (23 June 2012).

- Ikoja-Odongo, J.R. (2002). Information needs and uses of the informal sector in Uganda. Unpublished PhD thesis, University of Zululand: KwaDlangezwa.
- Ikoja-Odongo, J.R. & Ocholla, D.N. (2004). Information seeking behaviour of informal sector entrepreneurs: The Uganda experience. *Libri*, 54, 54–66.
- International Centre for Response Tourism and Scott Wilson Business Consultancy (2004). Tourism and Local Economic Development. Available at <http://propoortourism.org.uk>. (03 February 2012).
- International Labour Organization (ILO) (1972). *Employment, Income and Equality: A Strategy for Increasing Products in Kenya*. Geneva: ILO.
- Internet World Stats: Usage and Population Statistics (nd). South Africa internet usage and marketing report. Available at <http://www.internetworldstats.com>. (20 June 2009).
- Jiyane, G.V. & Mostert, B.J. (2008). The role of the public library in economic empowerment and poverty alleviation amongst informal sector women entrepreneurs: A preliminary study in the Umhlatuze Municipality. *Mousaion*, 26(2), 79–97.
- Jiyane, G.V. & Mostert, B.J. (2010). Use of information and communication technologies by hawkers and vendors in South Africa. *African Journal of Library, Archives and Information Science*, 20(1), 53–61.
- Jiyane, G.V. & Ocholla, D.N. (2004). An exploratory study of information availability and exploitation by the rural women of Melmoth, KwaZulu-Natal. *South African Journal of Library and Information Science*, 70(1), 1–7.
- Kerslake, E. & Goulding, A. (1996). Focus Group: Their use in LIS Research Data Collection. *Education for Information*, 14(3), 225–232.
- Kitzinger, J. & Balfour, R.S. (Eds.). (1999) *Introduction: The Challenges and Promises of Focus Groups*. In *Developing Focus Group Research, Politics, Theory and Practice*. London: Sage. Pp. 1–20.
- Kwake, A.W. (2008). The role of information and communication technologies in harnessing information for women in rural development: case studies of South Africa and Kenya. Published PhD thesis, University of Zululand: KwaDlangezwa.
- Lawyers for Human Rights (2010). 2010 FIFA World Cup by-law concerns. Available at <http://www.lhr.org.za/new/2010/2010-fifa-world-cup-law-concerns>. (22 June 2012).
- Lefko-Everett, K. (2007). *Voices from the Margins: Migrant Women's Experiences in Southern Africa*. Cape Town: Southern Africa Migration Project: Policy Series no 46.
- Mooko, N.P. (2002). The use and awareness of women's groups as sources of information in three small villages in Botswana. *South African Libraries and Information Science*, 68(2), 104–111.
- Neuman, W.L. (2006). *Social Research Method: Qualitative and Quantitative Approaches* (6th ed.). Boston: Pearson.

Oberg, D. & Easton, E. (1995). *Focus Group Interviews: Planning for and Collecting all Types of Data*. San Fransisco: Pfeiffer.

Ocholla, D.N. (1998). The growing gap between the information rich and the information poor, both within countries and between countries. A composite policy paper. Edited by Alfred Kagan. Sixty Fifth IFLA Conference Council and General Conference, Bangkok, 20–28 August 1999, Bangkok, Thailand. Available at <http://www.ifla.org/IV/ifla65/papers.126-72e.html>. (23 March 2009).

Patton, M.A. (2002). *Qualitative and Evaluation Methods*. Thousand Oaks: Sage.

Payne, G. & Payne, J. (2004). *Key Concepts in Social Research*. London: Sage.

Statistics South Africa (2010). Tourism. Report no.03-51-02. Available at <http://www.statssa.gov.za>. (21 June 2012).

South African Tourism, (2011). Tourism arrivals performance for 2010. Available at [http://www.gcis.gov.za/resource\\_centre/news\\_and\\_mags/buabriefs/2011/touris\\_arrivals\\_media\\_presentation.pdf](http://www.gcis.gov.za/resource_centre/news_and_mags/buabriefs/2011/touris_arrivals_media_presentation.pdf). (03 February 2012).

Tifflin, W. (2004). The effects of Malaria on Tourism. Occasional paper no. 21. Available at <http://www.kzn.org.za>. (02 January 2012).

Timm, S. (2011). How South Africa can boost support to small businesses: lessons from Brazil and India - Development Dialogue Seminar. Trade and Industrial Policy Strategies. Available at <http://www.tips.org.za>. (04 May 2011).

Viruly Consulting (2004). Annexure 8: Retail Supply Analysis of SOWETO. Report prepared for Palmer Development Group. Available at [http://www.joburg-archives.co.za/srs/retail\\_supply.pdf](http://www.joburg-archives.co.za/srs/retail_supply.pdf). (23 June 2012).

Williams, B., Gouws, E., Lurie, M. & Crush, J. (2002). *Spaces of Vulnerability: Migration and HIV/AIDS in South Africa*. Southern African Migration Project, Policy Series no. 4.