This disc contains film footage of the site. Please view it after reading Section 2.
TRANSPORT AND TRADE

A critical analysis of the informal sector at the Cape Town Station

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This thesis examines current spatial systems and policy directions concerning informal trade at the Cape Town Station, South Africa. The informal economy is considered, in light of its importance as a livelihood strategy for the urban poor, specifically migrants from rural areas and refugees. A detailed analysis was conducted of the spatial organisation of trading spaces, the regulatory systems in place, and socio-economic data obtained through interviews conducted with 150 informal traders. Furthermore, Warwick Junction in Durban was used as a case study in order to critically evaluate the successes and failures of the Cape Town Station precinct. The study showed that the key enabling features of a successful trading strategy are predominantly reliant on security of tenure and access to strategic locations close to transportation nodes or sites of high pedestrian activity. Spatial flexibility is also critical at sites of urban informality, providing a range of opportunities along the economic ladder.

The success of Warwick Junction highlights the inflexible policy and spatial environment of the Cape Town Station, which limits entry-level trading opportunities. In contrast to this, the City of Durban has taken a different approach to urban governance by including informal traders in the development of policy and design strategies. In the context of the rampant poverty, unemployment, and inequality that still prevails in South Africa, the role of the informal sector as a generator of employment for the lowest income groups is crucial.
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1. INTRODUCTION

1.1 Foreword

In 1973, Keith Hart first coined the term ‘informal sector’, in reference to his anthropological work in Ghana, in which he challenged the normative views that development economists held about employment issues at the time (Hart, 1973: 82). Instead of seeing the informal economy as a sector of unproductive “unemployment or underemployment” that fails to generate significant economic growth, Hart recognised its importance as both a livelihood strategy for the urban poor and an essential part of the service delivery system in Accra (Skinner, 2008: 2). Employment in the informal sector, as a percentage of non-agricultural employment, is significant in many developing countries, accounting for over 70% in Sub-Saharan Africa, 65% in Asia, and over 50% in Latin America (Becker, 2004: 3). It is estimated that 85% of new jobs worldwide are created in the informal sector (ILO, 2008). However, despite their importance, informal economic practices are often lodged in a political struggle against marginalisation and exclusion, in which a multitude of small actors stand in opposition to the forces of big business and institutional bodies.

This thesis examines current spatial systems and policy directions concerning informal trade at the Cape Town Station. Through a detailed analysis of the spatial organisation of trading spaces, the regulatory systems in place, and interviews conducted with informal traders, I hope to demonstrate how spatial designs and policy structures both enable and limit the opportunities for small scale traders to earn a living in the city. The study aims to reveal the complexity of the experience of the informal economy, how it is practiced on a daily basis, and will pose questions of how design and policy should respond if they are to play an enabling role. Drawing from a comparable case study in Durban I will also provide a critical analysis of the design process, its outcomes, and its repercussions for the informal sector.

1.2 Theoretical Framework

I will frame my investigation by using the theoretical concept of ‘mixed embeddedness’ developed by Kloosterman et al. (1999). In their study of the how international migrants set up small businesses on arrival in advanced urban economies of the Netherlands, the authors reveal that the socio-economic status of immigrant entrepreneurs is not only embedded in the “social networks of immigrants” but also in the “socio-economic and politico-institutional environment” of the host country (Kloosterman et al, 1999:2). Although my study is situated in the context of a developing country, it is in some ways comparable with the European context in that the continuing large scale rural-urban and international migration to major South African cities, is also a process whereby unskilled migrants are entering an advanced urban economy and seeking upward social mobility. Using this notion of mixed embeddedness as a conceptual framework, I will aim to reveal the nature of the socio-cultural practices of informal business operators as well as their rootedness in socio-political and socio-economic conditions. I further propose to expand on Kloosterman's definition of mixed embeddedness, adding to it a spatial dimension, by focussing on how city forms and spatial systems affect small-scale entrepreneurs. The outcome of the study will be aimed at producing a set of guidelines for designers and policy makers when concerned with sites of urban informality.

1.3 Methodology

The research conducted for this study includes the following: formal interviews with key policy-makers and designers (See Appendix A-E), 150 structured interviews with the local traders (see Appendix E), detailed interviews with leaders of the traders’ associations (see Appendix D), as well as a number of
spatial mappings based on observation, site analysis, and socio-economic data. In order to illustrate the relationships between different sites and organisational structures, the interview data were plotted. Furthermore, reference to a comparable case study will serve to critically evaluate the successes and failures of the Cape Town station precinct, according to criteria which align with the idealogical position of the study.

Figure 1. (Right): Net annual migration streams from provincial areas to the Western Cape between 2006 and 2011. Source: Statistics South Africa (2011).

<table>
<thead>
<tr>
<th>Province</th>
<th>Migration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eastern Cape</td>
<td>+ 74,316</td>
</tr>
<tr>
<td>Gauteng</td>
<td>+ 16,026</td>
</tr>
<tr>
<td>Free State</td>
<td>+ 1,920</td>
</tr>
<tr>
<td>Northern Cape</td>
<td>+ 1,566</td>
</tr>
<tr>
<td>North West</td>
<td>+ 1,517</td>
</tr>
<tr>
<td>Limpopo</td>
<td>+ 1,314</td>
</tr>
<tr>
<td>Mpumalanga</td>
<td>- 656</td>
</tr>
<tr>
<td>KwaZulu-Natal</td>
<td>- 1,375</td>
</tr>
<tr>
<td><strong>TOTAL:</strong></td>
<td>+ 95,556</td>
</tr>
</tbody>
</table>
1.4 Wider Context

Seventeen years have passed since the first democratic election took place in South Africa, marking the end of forty-six years of Apartheid rule. Despite efforts by the new government to redress the structural injustices of oppression, caused by institutionalised spatial segregation and discrimination in racial terms, the apartheid city has remained largely intact (Pieterse, 2009:1). In many South African cities urban inequality has been compounding over the last decade due to a number of global and local processes (Boraine et al., 2006: 272). Foremost is the fact that the government of our ‘teenage democracy’ is confronted with a number of hurdles in overcoming the inequalities of the past that have caused marked, and increasing, spatial and social segregation. Our cities are young and primarily designed for the motor car, thus generating mono-functional and sprawling (sub)urban development. This dysfunctional urbanism is exacerbated by fear of crime (that, although well-founded, often amounts to paranoia), which has promoted the construction of myriad private, fenced-off residential estates. Furthermore, the situation in our ‘townships’ – historically Black impoverished dormitory suburbs – has become desperate, as the delivery of public services cannot keep up with the fast growing urban population. These are just some of the reasons why urban continuity does not substantially exist in South Africa. Functional vibrant public spaces remain few and the rich and the poor continue to live their lives in isolated spaces.

In 2004, a decade after democracy, the South African Cities Network (SACN), a quango set up to advise the new government on urban issues, released a report entitled “The State of South African Cities” (Boraine et al., 2006). One of the key findings of the report suggested that cities could play a crucial role in addressing the structural inequalities that exist in South Africa. Transformation is not only political but hinges primarily on a more equitable urban environment. The report also acknowledges that cities are the main drivers of the economy, concentrating formal and informal economic opportunities (Boraine et al., 2006: 266). Since the abolition of Apartheid, South African cities have experienced a high population growth rate, estimated at an average of 4.4 percent annually between 1991 and 2001 (Boraine et al., 2006: 264). This is mainly due to rural migrants and immigrants searching for better opportunities in cities. This migration process affects the demographics and age structure of the provincial areas in the country. Generally, the trend is an out-migration of working-age adults from very poor rural areas, such as the Eastern Cape and Limpopo provinces, to the wealthy urban agglomerations of Gauteng and the Western Cape.

Estimates indicate that Gauteng and Western Cape received a net inflow of 364 400 and 95 656 people respectively per annum for the period of 2006-2011 (SSA, 2011: 3) (see Figure 1). The proliferation of foreign migrants is also crucial, driven by political instability (war, oppression, and persecution), and lack of economic opportunities (poverty, unemployment, and high costs of living) in neighbouring countries, most notably in Zimbabwe (Mosala, 2008:1). Records indicate that there are almost half a million refugees and asylum seekers currently living in South Africa, of which 262 000 are from Zimbabwe (UNHCR, 2011:112). The country received over 220 000 asylum applications in 2009 alone (UNHCR, 2011:112). This influx escalated into a humanitarian crisis in 2008 when an explosion of xenophobic violence erupted against immigrant refugees in the townships.

The scale of the socioeconomic challenges and persistent structural inequalities that still prevail in South Africa are evident in its demographic trends: the latest South African census Figures show that the overall population is estimated at 50 million. The racial breakdown of this Figure is: 79% Black African, 9.2% White, 8.8% Coloured and 2.6% Indian or Asian (Statistics South Africa [SSA], 2010: 7). The unemployment Figures corresponding to racial breakdown are as follows: very high for Black Africans.
at 28.1% followed by the Coloured population group at 21.3% whilst the Indian and White groups had the lowest unemployment rates, at 7.9% and 5.5% respectively (SSA, 2011: 1). Approximately 10.5% of the population (5.24 million people) is living with HIV/AIDS (SSA, 2010: 3) and more than half the population is living below the minimum living standards (Pieterse, 2009: 7). South Africa also has one of the highest Gini coefficients in the world at 65, second only to Namibia (see Figure 2.3). The situation in our cities is even more extreme with Figures as high as 78 in Johannesburg and 68 in Cape Town compared to the alert line at 40. (UN-HABITAT, 2009)

In the context of such rampant poverty, unemployment, and inequality, the role of the informal sector as a generator of employment for the lowest income groups must be considered crucial in South African cities. Accounting for up to 38% of non-agricultural employment (SSA, 2008:7) and contributing a large number of new jobs (SSA, 2011:2), the informal sector is likely to prevail and expand in coming years as Becker (2004: 3) points out: “It has been observed that informal economies have a more fixed character, where assets and opportunities are not spread evenly and where economic growth is not accompanied by growth in employment.”

**Figure 2:** World Bank Country Income Classification


- low income $995 or less
- lower middle income $995 - $3,945
- upper middle income $3,945 - $12,195
- high income, nonOECD $12,196 or more
- high income, OECD &12.196 or more

**Figure 3:** Global Income distribution (Gini Index)

*Data Source:* CIA Factbook (2011). Note that South Africa has one of the highest Gini coefficients in the world at 65, second only to Namibia.

- < 27
- 27 - 31.4
- 31.4 - 35.2
- 35.2 - 39.7
- 39.7 - 43.7
- 43.7 - 48.2
- 48.2 - 53.9
- 53.9 - 59.2
- 59.2 - 65
- 65 - 70
1.5 Cape Town: Political and Spatial Context

Cape Town, South Africa’s ‘Mother City’, is arguably one of the most beautiful cities in the world. The magnificent basin of Table Mountain, which holds the City Bowl area, is perhaps the most frequently used iconic image of the city, showcasing it as prestigious and of ‘world class’ to a global audience. Cape Town often scores high on international city ratings: it was voted the No. 1 Tourist destination in the 2011 Traveller’s Choice Destination Awards (Trip Advisor, 2011) and it occupies the 5th position on the BBC’s list of 50 places to see before you die (Before you die, 2011). But for the most of the city’s inhabitants, this picture looks very different. The majority of Cape Town’s population live in the flat plains to the east of the city centre known as the Cape Flats, in the townships of Khayelitsha, Nyanga, Langa, Philippi, Gugulethu, Mitchell’s Plain and Macassar, to mention a few. As is typical for South African cities, these areas are characterised by shack settlements and RDP houses, densely packed and abutting the major highways. This is also where most of the new migrants from other parts of the country and the continent arrive to make a new life in the city. For many, being stranded on the periphery means that a very high percentage of their income is spent on transportation alone, which results in a poverty trap that is difficult to escape.

Cape Town’s unique economic geography, characterised by a clear separation of the rich from the poor, or the whites from the blacks, is a legacy of the former ‘Group Areas Act’ enforced by the Apartheid government between 1950 and 1970 (see Figure 5, 8). This operation sought to systematically remove all ‘non-whites’ from the centrally located areas, such as District 6, to the Cape Flats area. A map of the residential class structure of the city (see Figure 6) reveals that these polarised patterns of wealth and poverty still persist, whilst Figures 4, 7, and 9 show that the poorest neighbourhoods of the city also have the highest residential densities and crime rates. Two distinct economic arteries are visible in Figure 4, corresponding with the largely English-speaking Southern Suburbs and the largely Afrikaans-speaking Northern Suburbs. It is in these two affluent areas that jobs are concentrated, creating a vacuum towards the Cape Flats. It becomes clear that the spatial distribution of these different factors has a cumulative affect on urban inequality.

The latest census Figures indicate that the Western Cape Province houses 10.5% of South Africa’s population, estimated at 5.3 million people (SSA, 2011: 3). Although the province has a lower unemployment rate than the rest of the country, at 25% compared to 35% nationally (SSA, 2011b: 11), it is still extremely high compared to the world unemployment rate, which is currently estimated at 9% (CIA World Factbook, 2011). It is also noteworthy that the informal sector does not perform as well in the Western Cape as it does in some of the other provinces: In the second quarter of 2008 it was recorded that the percentage informal employment was lowest in the Western Cape, at 25%, compared to 30% in Gauteng, 42% in KwaZulu-Natal and 50% in the Limpopo Province (SSA, 2008: 16). Between 2010 and 2011 the informal economy of the Western Cape shrunk by a staggering 15%, shedding approximately 32 000 jobs (SSA, 2011b: 21).

Part of the National Government’s strategy to reduce the high unemployment rate is to boost the growth of small to medium enterprises (SMME’s). To address this concern the Western Cape Provincial Department of Economic Development and Tourism (DEDT) initiated a Micro Economic Development Strategy (MEDS) in 2004 (Charman et al, 2007: 7). Informal trade was identified as one of the promising sectors through which economic growth could be fostered, and a strong emphasis has been placed on transforming these businesses to operate within the regulatory frameworks and contribute towards the national tax base (Charman et al, 2007: 14). The informal sector thrives in dense areas with a lot of pedestrian activity, such as public transport interchanges, which are the primary sites of informal trade in South African cities.
An aerial view of the Cape Peninsula
1.5.1 Understanding Cape Town’s Greater Metropolitan Region

There is a clear spatial mismatch between areas of high economic activity and areas of poverty. The result is that the poor population spends at least 30% of income on transport.

Figure 4: Economic Geography of Cape Town
*Original Source:* City of Cape Town (2009)

In the 1950s the Apartheid government enforced the 'Group Areas Act', by forcefully removing 150,000 'non-whites' from the central city of Cape Town to the areas highlighted in black above.

Figure 5: Location of former 'Group Areas'.
*Original Source:* Wilkinson (2000: 5)

Note that there is still a clear spatial correlation between poverty, and the 'Group Areas' shown in Figure X.

Figure 6: Residential Class Structure
*Original Source:* Knowledge factory (cited in Pieterse, 2010: 233)
A clear spatial relationship between poverty and density can be noted, which in turn also relates to high crime rates and fewer economic opportunities.

The spatial division of Cape Town's communities can further be noted by the clear distinction of dominant languages spoken in the metropolitan region.

A high prevalence in murder rates also clearly corresponds to high population densities and poverty stricken areas.
Transport interchanges are the major nodes of public life in South African cities and can support a tremendous variety of economic, social, and cultural activity. As the Apartheid system began to unravel in the late 1980s and restrictive pass laws were relaxed, transport interchanges were some of the first sites to be appropriated by the urban poor. The opportunity for business at these large thoroughfares meant that informal markets thrived, but such markets, if not managed properly, could also easily grow without formal recognition or regulation. The need to regulate and organise these sites efficiently led to large construction projects in which transport and trade were integrated. In their study of three transport interchanges in the metropolitan area of Cape Town, Charman et al. (2007) emphasize the value of the “informal micro-enterprises” in broadening economic and employment opportunities and they oppose the view that these enterprises are marginal to provincial employment and macro-economic objectives (Charman et al., 2007: 89). The authors argue that these businesses are able to “effectively integrate into formal sector value chains and have significant economic multiplier effects downstream as they create many new business opportunities” (Charman et al., 2007: 89).
2. ANALYSIS

2.1 Area of Study

Approximately 160,000 commuters pass through the Cape Town Station and Taxi Rank on a daily basis (see Figure 12), making it the largest and busiest railway station in the greater Cape Town area (Intersite, 2008:29). Part gateway, part barrier, this commuter hub caters for trains, buses, and taxis, and is the first entry point for many commuters who travel from the outer suburbs to the central city for work (see Figure 13) (Mokena Design Lab, 2011).

For the purposes of a comparative analysis, I have divided my study area into six different zones (A-F, see Figure 10,11). The study area incorporates two larger precincts namely, the Cape Town Station Precinct and the Grand Parade Precinct. The Grand Parade is directly adjacent to the Station and is Cape Town’s largest civic square and an historical market place. Together these two sites make up the largest informal trading area in central Cape Town (see Figure 10). The zones that have been identified include the four main trading areas at the Station: namely, the Station Deck (A), the Station Deck Taxi Rank (B), the Station Deck Pedestrian Bridge (C) and the Station Forecourt (D), as well as the Grand Parade (E) and street traders (F) adjacent to the Parade highlighted in Figure 10. Although one has to distinguish between these two precincts they are interconnected and both feed off the tremendous foot flows that the trains, buses, and taxis generate. Each zone has a unique location, spatial arrangement, organisational structure, and management system which will be described in the pages to follow. A brief analysis of each zone, incorporating the data that were plotted, will provide a survey of profitability, amount of time trading, national origins, stall sizes, and goods traded. For an example of the structured interview questionnaire that was used to collect the data please refer to Appendix F.

A clear distinction must be made between the Station and the Grand Parade precincts, in terms of how they are managed. The Station precinct is owned and managed by the Passenger Rail Agency of South Africa (PRASA), a parastatal run like a private corporation. Intersite is the agency within PRASA that is responsible for the management of the assets, such as buildings, and for the lease agreements. The Grand Parade is owned and managed by the City of Cape Town, and is therefore considered public land. This has repercussions for the informal sector, since the City and PRASA have different policies and attitudes towards informal traders. Furthermore the two areas linked to the Station Deck, namely the Station Bridge and Taxi Rank, are currently considered ‘no trading zones’, but still offer opportunities for a significant number of traders. Finally, a survey of the street traders was included because the City has a different management system for these traders compared to its system for the traders on the Parade.

2.1.2 Cape Town Station: an introduction

The Cape Town Station Precinct has recently been upgraded, just in time for the 2010 Soccer World Cup. Although necessary, this process resulted in a major overhaul of the informal trading sector at the Station which had established itself rather organically over the period of 20 years (see Appendix D). A three-phase design has been planned, approved, and partially implemented: it required an extensive 18 month-long public participation process, managed by an independent facilitator that engaged all the various stakeholders (see Appendix B). Before the World Cup, informal trading at the Station was not tightly controlled and had established itself in larger markets on the Station Forecourt and Deck (roof), as well as in smaller pockets scattered around the two concourses (see Appendix B). A portion of the Station Deck area had been leased to two traders’ associations. This system allowed for a single agreement between PRASA and the association, whilst the traders then paid the association a monthly fee to be able to have a stall within a given area. Stalls were erected on a daily
Figure 10: Informal Trading Zones in the central city of Cape Town. Source: City of Cape Town

- Station Deck Market
- Station Deck Taxi Rank (no trading zone)
- Station Deck Pedestrian Bridge (no trading zone)
- Station Forecourt Market (no trading zone)
- The Grand Parade Market
- Street Traders
- Flower Market
- Green Market Square craft market
- St. Georges Mall pedestrian street

Area of Study
2.1.3 Pedestrian Movement

Figure 11 (left): Aerial View of the Site  
*Source:* Google images

Figure 12: Passengers Boarding and Alighting over a 24 hour period.  
*Source:* Courtesy of (Intersite, 2008:5).

Figure 13: Rail Network Transport Operations  
*Source:* Courtesy of (Intersite, 2008:2).
basis. By the late 2000s the situation had become untenable, with the proliferation of drug dealing, prostitution, and illegal shebeens (pubs) within the established informal trading sector, specifically on the Station Deck (see Appendix B). PRASA was required to get all their train stations certified by the Rail Safety Authority before the World Cup (see Appendix A: 59), providing an opportune moment to launch a large clean-up operation. Safety protocols also required that an evacuation space be cleared adjacent to the main concourse; this resulted in the removal of the market on the Forecourt (see Appendix B). PRASA then made an in-principle decision that they would only allow informal trading in the form of a kiosk, which would be provided by them and leased from them to each individual trader. In this way informal trade would become more formalised and could be more easily controlled and managed (see Appendix B). This became part of the design brief for the architectural team, who then translated it into a design (see Figure 14). A solution meant to be temporary, in the form of white containers (see Figure 15), was put in place for the World Cup but subsequently, as a result of budget cuts, has now been made permanent and is currently being extended (see Figure 15).

It is a pity that this upgrading process resulted in the displacement of more or less 300 traders. The
new spatial layout, with kiosks in place of an open market area, could re-accommodate only 350 of the 750 original traders that been there previously. The allocation of the 350 kiosks was done through a fairly clinical elimination process (see Appendix B, C). Each trader had to submit an application form and would be assigned a score according to various criteria (see Appendix B). This process identified 350 successful applicants. PRASA currently has a waiting list of more than 300 people who are hoping to be allocated a space in the future. In contrast to the pragmatic attitude of the client it is perhaps interesting to reflect on the architects’ vision statement for the site below:

“The 2010 interventions are seen as part of the development of a dialectic dialogue between the city and station; one in which the social potential of the station as an ‘anchor of becoming’ in the city takes its rightful location. The interventions are thus predominantly focused on operational efficiency but [with] a particular bias to the notion of a ‘Creative Cape Town’, one in which the public spaces are maximised for cultural production; enabling intersection and innovation. The raison d’etre if the station is seen as a tableau for empowerment and a direct recognition that transport interchanges in the context of a developmental state are primary ordering elements of the urban landscape, with a hugely untapped social capital, performance and role of meaning in the public consciousness.” (MDL, 2011).
2.2 Trading on the Station Deck

The rooftop of the Cape Town Station is where the City’s main taxi rank is located. This facility generates a lot of pedestrian activity as thousands of commuters get onto and out of their taxis here (see Figure 18 for peak hour pedestrian counts). As described in section 2.2, the Station Deck has been an informal trading area for more than 20 years and has recently been reconfigured to house 350 formal trading kiosks. This is now known as “the small-enterprises market” (see Appendix B) and when completed it will occupy the U-shaped area indicated on Figure 15 and 18. Each kiosk is 2m x 2m (4m²) in size and is leased at a cost of R1200 per month. Trading hours vary; some traders arrive very early in the morning to catch the rush hour traffic, but the majority of traders arrive a bit later in the day. Afternoons are the busiest times, once the market is fully operational. Although the formalised kiosk structures create a fairly unimaginative trading environment, the traders are slowly adding some texture to the bland structures by draping fabric to create a bit of shade, or by applying colourful advertisements to the insides of their kiosk doors (see photographs on p.26-27). On weekends the site becomes a social spectacle with lively township music blazing from the kiosks whilst young girls perform dance routines for the passing commuters and the boys enjoy a game of soccer.
The current arrangement offers a good example of a formalised trading space that is well-managed, clean, and safe. The architects describe their design intentions as follows:

“The station is conceived as an incubator for small to medium enterprises which otherwise would not be able to participate in the formal economy of the city at undifferentiated setup and establishment costs. The Station therefore exists to cater as a transactional space where the divide of the dual economy is bridged by spatial and business development practices that encourage upward mobility and integration into the formal sector with pace and comfort.” (MDL, 2008).

Reflecting on the original design for the Deck, shown in Figure 14, it is noteworthy that the architects’ vision for the space was a lot more ambitious than that which was implemented, and should be interrogated on a number of levels. Firstly, one has to ask if the current layout (or even the original design) offers enough diversity in terms of the range of trading spaces available to emerging entrepreneurs. Does this space live up to the designers’ intentions for it to become an “incubator for small to medium enterprises” (MDL, 2008)? One of the most limiting design factors is the fact that PRASA would only accept trading in the form of kiosks. This

The central artery of the market, a vibrant social hub.

The Deck is a meeting place for all age groups on a Saturday.
effectively eliminates the opportunity for an open and flexible structure allowing a range of trading spaces to exist in one space. What happens if you need to expand your shop, or shrink it? Where do you go if you are just starting out and do not yet have the capital to fill up an entire kiosk with stock? The inflexible nature of the layout means that the economic opportunities are limited to only one type of fairly sophisticated trading.

Despite this drawback, the survey indicated that many of the kiosk traders earn a decent living by trading on the Station Deck (see Figure 16). Approximately 10% of the traders earned between R100 and R400 per day, whilst 25% earned between R400 and R600, and 22% estimated a maximum daily profit above R1000. It is also noteworthy that most of the formal traders on the Deck are South African while more informally managed spaces have a higher proportion of foreigners (see Figure 17).
Figure 16: Distribution of maximum daily profit
The plot indicates that approximately 10% of traders earn R100 and R400 per day, whilst 25% earn between R400 and R600 and 22% estimated a maximum daily profit above R1000.

Figure 17: Country of Origin.
South Africa: 33
Nigeria: 1
Ethiopia: 1
Somalia: 1

Figure 18: Peak Hour Pedestrian Counts
Original Source: Courtesy of Intersite
2.3 Trading at the Station Taxi Rank

The Taxi Rank informal trading area is a long narrow linear space that lies directly adjacent to the taxi pick-up lane (see Figure 19). A small curved corrugated iron roof offers some protection from the elements, making this an attractive space for trading. This is not only a very busy pedestrian movement corridor towards the main exit and entry points on the Station Deck, but also a place where commuters tend to linger whilst waiting to board their taxis (see Figure 22). As the primary taxi rank of the City of Cape Town, one can board mini-buses to all the outlying suburbs from here and soon long-distance taxis will become operational in the north-eastern corner of the Station Deck.

Although PRASA is very clear that this is a “no trading zone” (see Appendix B), it does not stop opportunistic traders from informally setting up their stalls here. This is however a risky business, since the city’s law-enforcement team and the security guards at the station have a clear mandate to remove all illegal traders (see Appendix B) and they perform daily checks. When the officials arrive, the traders have to grab their goods as quickly as possible and run to avoid having their goods confiscated. Impounded goods can only be recovered after paying hefty fines (see Appendix E) and some of the traders also reported that their goods were stolen by the law-
enforcement officers. The cost of recovering the items is often completely unaffordable. When a trader cannot afford to recover her/his stock, she/he has to start again from scratch, with a devastating effect on business. When asked if there might be an alternative solution to removing the traders from the “no trading zones” and confiscating their merchandise, Mr. Engelbrecht of PRASA responded:

“The illegals must just be removed. That is our clear outcry to SAPS Railway, our security and the law enforcement officials of the City, because today it’s ten, tomorrow it’s twenty and before you know it you have 100 people trading illegally.” (See Appendix B).

Despite this daily harassment the traders persistently return to the taxi rank to do business. For many of them this is the only way to get by since, living from hand to mouth as they do, the risk is worth taking.

The traders in this area have fairly small stands ranging from 1m² to 2m² in size. A variety of goods are traded, although snacks, cold drinks, fruit, small items of clothing, and DVDs (pirated movies and music) tend to dominate. Most of the traders make use of makeshift structures such as cardboard boxes, crates, and buckets to display their goods. Often goods are simply
displayed on a piece of cloth on the ground. Some of the traders have arrangements with kiosk owners to store their goods, while most simply take their goods home at the end of the day. The majority of the Taxi Rank traders earn a maximum daily profit of between R100 and R400 whilst one individual indicated that they could earn up to R800 on a good day (see Figure 20). It is noteworthy that, due to the small size of the stalls, profits are contained within a certain range. The majority of the traders are South African, with 7 out of 19 interviewees being foreign nationals (see Figure 27).
Figure 20: Distribution of maximum daily profit
The majority of the traders on the Grand Parade make a daily profit of under R500 whilst the more established traders earn up to R5000 per day.

Figure 21: Country of Origin. South Africa (12), Zimbabwe (3), Tanzania(2), Nigeria (1) and Ethiopia(1).

Figure 22: Peak Hour Pedestrian Counts
Original Source: Courtesy of Intersite

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Formal Trading Zone
Entry / Exit points
2.4 Trading on the Bridge

This pedestrian overpass links the station deck to a large indoor shopping complex known as the Golden Acre, which forms an interstitial space between the station and the city centre. Commuters on their way to or from the Taxi Rank pass through this space in great numbers as it is one of only two access points currently linking the deck to the western edge of the CBD (see Figure 25).

Between 30 to 40 (the number varies) traders position themselves on the sides of this busy thoroughfare from Monday through to Saturday, and try to attract the business of the passers-by. Unlike the formal kiosk market on the Deck, this space is completely self-organised and illegal. Traders operate on a first-come-first-served basis, without any form of organisational structure and advertise their goods by chanting loudly, or showing off their stock in creative ways, while the commuters sometimes stop to barter or buy something. On a rainy day it becomes particularly competitive when all traders make use of the opportunity to sell umbrellas. They then position themselves strategically at the entrance to the bridge, because whoever gets to the customer first, will make the sale. Most of the goods are displayed on cloths on the ground, forming stands ranging from 0,5 to 2m² in size. This is also a feature which allows the traders to grab their goods.
quickly and run when the law-enforcement officials arrive. The goods sold in this area are restricted to small items, things that can be easily transported in a single bag, and range from small items of clothing like hats, gloves, and socks; useful household goods such as cockroach killer, superglue, batteries, and locks; to electronic goods such as USB memory sticks, cell phone chargers, and earphones; as well as fresh produce. A group of homeless Rastafarians who live on Table Mountain offer a substantial range of medicinal plants that are carefully arranged in small bundles (see photographs on p. 34-35). There is also a large group of traders, most of them from Cameroon, who sell only pirated DVDs and who seem to attract many customers.

Like the taxi rank, this is officially an illegal trading zone and it is also subject to regular law-enforcement operations, during which goods are confiscated. It also has the lowest barrier to entry if you want to set up shop because there are no weekly or monthly costs, and bays are allocated on a first-come-first-served basis, although certain traders like to form groups. The majority of the traders on the bridge have been there for less than a year (see Figure 38). This signals that this precarious environment, where one has to deal with daily visits from the police, is braved only by the
most desperate, such as people who have just arrived in Cape Town and are trying to find a foothold in the city. Because of the illegal status of this trading area the national origins of the traders are more diverse see Figure 24.

The key issue for these traders is to be granted security of tenure. This is an unlikely scenario for this particular space because safety regulations would not permit such activity on a key pedestrian access route. Evidently the restrictive environment does not deter the traders from returning to the bridge; they depend on it for their survival. Part of the problem is that there are no alternative covered areas on the Station Deck that could lend themselves to casual trading, and there is no management system in place whereby itinerant traders can be regularised at the station. One trader suggested that she would like to have a “roaming permit” which would allow her to move around the station freely and sell her merchandise from a basket, while many traders have expressed their desire to get access to a permanent trading space.

Paul Williamson of the City of Cape Town expressed his concerns with this arrangement:

“One of the things that I said to Pierre Cronje at Intersite is that they should manage the entire station as one facility, so that one can accommodate daily and monthly traders. Having a kiosk is a fairly sophisticated way of trading, so one needs to create opportunities at the bottom. Even to the extent of taking over the taxi rank. Currently the City is responsible for the management of the taxi rank, and the informal traders exploit that. This is problematic from a law-enforcement point of view. Traders are very good at knowing when to stand on Intersite property and when to stand on City property.”

(see Appendix C).
Figure 23: Distribution of maximum daily profit
This curve illustrates quite clearly that most of the traders on the bridge earn between R100 and R300 per day. A precarious legal status and restricted stall size limit the opportunity for larger gains on this site.

Figure 24: Country of Origin.
South Africa (12), Zimbabwe (8), Cameroon (6), Zambia (1), Senegal (1), Kenya (1) and Ivory Coast (1)

Figure 25: Peak Hour Pedestrian Counts
Original Source: Courtesy of Intersite
2.5 Trading on the Station Forecourt

The Station Forecourt is a large open space, parallel to the main concourse of the station. A generous U-shaped colonnade forming two retail edges that extend from the main concourse, encloses the recently upgraded public square (see Figure 29). This site used to house a large informal market positioned underneath the trees (see Figure 26), but for safety reasons it had to be cleared before the World Cup (see Appendix A,B). The official policy is that this is also a “no trading zone” but PRASA has made a temporary arrangement allowing some traders to occupy the colonnade—at a cost of R140 per week—while they await the completion of their kiosk spaces on the Station Deck. So, although the Forecourt will not form part of the long-term informal trading spaces of the station, it is important to recognise its (extremely under-utilised) potential for informal trade.

Interviews with the traders have highlighted some of the shortcomings of the way PRASA handled the transition period, which dates from when the market was removed and construction started up until July 2010. One trader, who had been trading on the Forecourt for 9 years, described the period leading up to and during the World Cup as the “worst time” of his life. He had no access to a trading space during this time despite being in the fortunate position of having
Sparse informal trading happens sporadically in this large area

A view of the front of the Forecourt
Station Forecourt (cont)

been allocated a kiosk on the Deck. Instead of it being a great opportunity for the traders, the 2010 World Cup turned out to be a nightmare for them.

Profits on the Forecourt vary greatly from trader to trader (see Figure 27), but more than 20% of traders earn between R100 and R200 per day, whilst 12% recorded maximum daily profits around R1000. At the moment most of these traders have a temporary arrangement with PRASA to hire a table at a weekly cost of R50 to display their merchandise. The key concern for the temporary Forecourt traders is lack of access to a storage facility nearby. Some traders have been able rent storage space from other traders on the Deck, while others store their goods in shops nearby.

Figure 26: Station Forecourt before redevelopment.
*Original Source:* Courtesy of Mokeka Design Lab.
The area highlighted in red used to house the informal market before the redevelopment process resulted in the removal of the market and the displacement of approximately 300 informal traders.
Figure 27: Distribution of maximum daily profit
This curve illustrates quite clearly that most of the traders on the bridge earn between R100 and R300 per day. A precarious legal status and restricted stall size limit the opportunity for larger gains on this site.

Figure 28: Country of Origin.
South Africa (15), Somalia (2), DRC (3), Tanzania (2) and Nigeria (1).

Figure 29: Peak Hour Pedestrian Counts
Original Source: Courtesy of Intersite

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Formal Trading Zone
Entry / Exit points
2.6 Trading on the Street

Street trading in the centre of Cape Town is managed through a permit system whereby each trader is allocated a demarcated bay and is charged a weekly amount accordingly. There are currently around 800 street traders working in the central city. The City’s law-enforcement team is responsible for making sure that traders adhere to bylaws, stick to their demarcated bays, and that no traders without permits are found on the streets. The Cape Town Partnership (CTP), a partnership between the City and the corporate sector, offers assistance in this regard. In 2003 the Central City Improvement District (CCID) was launched which allowed the CTP to become involved in strategic planning issues and offer a “top-up” city management service over and above that which is provided by the City of Cape Town. For this purpose they have employed over 200 security officers who work in rotational shifts, 80 at a time, to enforce the law (see Appendix E). The result is that street trading is extremely well regulated in the CBD, and that one will not find any illegal traders in the city centre.

The survey indicates that the street traders generally earn a better living than both the traders on the Parade and the illegal traders at the Station (see Figure 30). Most of the street traders that were interviewed pay the City Council R200 per week to rent their bays (see Figure 32). Once trading is of a more permanent nature, in the form of a lockable kiosk, traders are able to avoid paying exorbitant fees for storing their goods.

The City does not seem to discriminate against foreign traders, who are able to obtain permits if they have legal status. Of the traders interviewed, 60% were locals whilst the rest were foreign migrants, who have been in the city for a few years (see Figure 31).
Figure 30: Distribution of maximum daily profit
This curve illustrates that 20% of street traders are able to earn between R400 and R600 per day, whilst an additional 20% earn between R800 and R900 per day.

Figure 31: Country of Origin.
South Africa (9), DRC (1), Zimbabwe (1), Somalia (1), Namibia (1), Nigeria (1), Angola (1).

Figure 32: Peak Hour
Pedestrian Counts
Original Source: Courtesy of Intersite

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Formal Trading Zone
Entry / Exit points
2.7 Trading at the Grand Parade

The Grand Parade can be described as Cape Town’s most important civic space. Contained by the historic Castle of Good Hope (built by the Dutch VOC) to the South, the neoclassical City Hall to the West and the modernist station and central bus terminus to the East, this large public arena lies at the centre of Cape Town’s bustling inner city.

Despite its strategic position and impressive size (see Figure 33), the Grand Parade does not live up to its potential use-value for the city, since a large portion of the space is simply used as a parking area for most of the week. On a Wednesday and Saturday, however, the space is transformed by a thousand individual actors who arrive before dawn to set up their stalls, to transform the site into a flea market (see enclosed DVD). The rest of the week the edges of the space are occupied by the small-scale traders.

The City of Cape Town manages this site by leasing various portions to six different traders’ organisations on a month to month basis (see Figure 33). Five out of six of the organisations pay an annual fee of R150 to lease the space while the sixth organisation leases the space at a monthly cost of R6000 (for a detailed discussion of the leasing structure see Appendix C). The various traders’ organisations then have their own system of managing the space; they assign trading
bays and employ a site manager who oversees the day to day organisation. The traders pay varying amounts for their stalls, depending on size and the amount of time that they have been trading. Casual traders (mainly foreigners) generally pay more than permanent traders, at a standard cost of R10 per day on a Monday, Tuesday, Thursday, and Friday, and R20 per day on a Wednesday and a Saturday when the big flea market is operational. Trading the full 6 days per week as a casual trader, monthly costs adds up to approximately R350 compared to R140 as a permanent trader. Some of the associations offer a refund to the permanent traders in October before the Christmas season (see Appendix D), but it is unclear where the majority of these funds go to. For example; the Grand Parade United Traders’ Organisation has a total of 150 traders, which means that the association collects at least R250 000 per annum while they only pay R150 per annum to lease the space. And while the permanent traders get a rebate in October, the casual traders don’t get any of their money back (see Appendix D). Paul Williamson at the City of Cape Town is extremely critical of this arrangement stating that: “From the City’s perspective they are extorting money from foreign nationals who are absolutely desperate and have nowhere else to go. They get charged a daily rate to be able to trade on the Parade and then they are crammed into a very small space” (see Appendix C).
Grand Parade (cont)

This organisational structure presents an interesting duality: traders’ associations evidently exploit the individual traders to some extent but on the other hand also support them and allow them the opportunity to access a trading site in the city which otherwise would be denied to them. The City can only enter into contract with individuals who have legal status, and this would certainly exclude many of the foreign nationals who are currently trading on the Grand Parade.

The spatial system used by the majority of the traders is a portable metal framework that gets erected in the morning and dismantled at the end of the day (see photographs on p.46-47). The goods and metal poles are kept in big lockable metal trolleys that are stored in a warehouse nearby (see enclosed DVD). Plastic sheets are used to provide some shade and shelter from the rain. In many cases the trolley is laid on its side to form a table. Goods are then hung from the metal structures and displayed on the tables. The beauty of the temporality of this system is that it allows for the maximum amount of flexibility and spatial arrangements. Stalls can grow or shrink incrementally depending on need and available resources.

The national origins of the traders at the Grand Parade is extremely diverse as 80% of the traders are foreign migrants (see Figure 35). This shift appears to have come about in recent years. Mr. Riedewaan Charles, Chairperson of the Black Pirates Traders’ Association claims that “local entrepreneurs are struggling to compete with the foreigners”. According to him the foreign nationals generally don’t have families to support and tend to have lower rents because they live in overcrowded conditions. This allows them to sell their goods at a lower price. Local traders cannot afford to drop their prices to the same level and find that they can no longer make an adequate living. Similar cases have been reported elsewhere in the country, adding to the xenophobic tensions. There is a strong sense amongst the local unemployed population, that foreigners are taking away their job opportunities (Mosala, 2008).
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*Figure 33: Current Lease Structure on the Grand Parade.*
Grand Parade (cont)

Profit margins here are low compared to the Station Deck, as the majority of traders earn a maximum daily profit of under R500 (see Figure 34). It is however noticeable that the more established traders (Wednesday and Saturday market) have much bigger earnings. Many of these traders are locals who have been trading on the Parade for over 30 years, they know the ins and outs of the business, have an established clientele, and have been able to grow and develop their businesses. For the small stalls things are much more difficult for a number of reasons. A key factor is that the cost of storage is extremely high ranging from R300 to R500 per month. For many the process of wheeling the trolley from the storage facility to the Parade in the morning and back again in the afternoon is too arduous. A group of Tanzanian refugees have identified this as their gap in the market and charge R30 to push a trolley to and from the market and assist the stall owner with setting up. Female traders cannot push their own trolleys and have to rely on this expensive system. Another major concern raised by the traders’ associations is the lack of secure tenure. Since 1998 their leases have been renewed on a monthly basis; the associations claim that they are therefore unable to plan in advance or find corporate sponsors as partners (see Appendix D). This limits the association’s ability to make improvements to the space, rent their own storage facilities at better prices or to invest in a new spatial system.
Figure 34: Distribution of maximum daily profit
The majority of the traders on the Grand Parade make a daily profit of under R500 whilst the more established traders earn up to R5000 per day.

Figure 35: Country of Origin.
South Africa (7), Nigeria (6), DRC (4), Cameroon (4), Zimbabwe (3), Uganda (1), Chad (1), Gabon (1), Mali (1), Ivory Coast (1), Ethiopia (1) and Tanzania (1).

Figure 36: Peak Hour Pedestrian Counts
Original Source: Courtesy of Intersite

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Formal Trading Zone
Entry / Exit points
2.8 Concluding Analysis

2.8.1 Limitations of the Study

Firstly it is important to note that each of these areas is unique and direct comparisons aren’t possible. Having said that, comparing some of the key attributes allows an evaluation of how different spatial and policy systems affect informal trade at the station.

The data collected has been extensively used as a proxy for the profitability of different locations. The actual numbers are probably not an accurate indication of reality since many of the traders do not keep accounts: they find it difficult to estimate their daily profit since a large number of variables are involved. There is also the possibility that traders may over-estimate or under-estimate their profits for a variety of different reasons. However, when comparing the different sites, it is to be expected that these variables will apply equally to the different locations. In this analysis, it is the differences between the different sites that are important, and not the actual numbers.

Due to time limitations not every trader could be interviewed, instead a sample of traders was chosen from each site. This may have introduced biases as the interviews are not strictly representative of all the traders. In terms of profitability and time trading, the sample sizes were analysed by ensuring that a statistical significance of at least P<0.05 for differences in the mean value between different sites (95% probability of the average value at each site being different) was achieved, using the Student's T-test. This required a sample size of approximately 20 to 30 individuals from each location, 150 in total.

2.8.2 Key Findings

The following key findings will reiterate how the livelihoods of informal traders are embedded in the social, economic, political, institutional and spatial systems currently in place at the Station and Grand Parade Precincts (discussed in the analysis above).

1. Security of tenure is very good for informal trade. The data plotted in Figures 38, 40 and 41 clearly indicate that profitability increases with an increase in the amount of time that an individual trader has traded at a particular site. Similarly, the “illegal traders” have consistently lower profits than the legal traders (see Figure 41). A number of factors contribute to this trend. Firstly, illegal traders are limited in the amount of stock they can carry because they stand a high chance of having their merchandise confiscated by law enforcement officials and because they need to remain mobile to avoid confiscation in the first place, and also to allow them to transport their goods home. Secondly, once their goods have been impounded the trader effectively has to start from scratch. Illegal sites, like the Station Bridge and Taxi Rank, show a much lower profitability compared to the Station Deck and Street Traders (see Figures 39-41). Similarly, length of time trading at illegal sites is lower than official trading areas (see Figure 38), indicating that such sites do not offer secure income over a long period of time.

2. Informal trade is more successful in areas with high pedestrian volumes. Figure 39 illustrates that there is a clear correlation between profitability and peak hour pedestrian counts. This confirms that the sites nearest to the transportation nodes, such as the Station Deck and the street, enjoy the highest profitability. These sites are strategically located to benefit from the large foot flows coming in and out of the station. The only exception to this trend is the Station Bridge, which has low profitability despite large pedestrian flows. The reasons for this are related to the lack of secure tenure mentioned above, but also perhaps because the space is extremely congested and confined.

3. Spatial flexibility allows for upward social mobility. The official spatial solution that has been introduced on the Station Deck, is one facilitating rigid, formalised trading. Only one possibility is available to legal traders, and this requires them to be well established
Figure 37: Daily profit (all traders)

Figure 38: Trading time (months) for all trading locations. Note that the Bridge and Taxi Rank sites show the least amount of longevity due to the lack of secure tenure.

Figure 39: Plot illustrating the association between maximum daily profit and peak pedestrian counts. *Note the correlation is linear apart from the Station Bridge, which has low profits despite high pedestrian traffic as a result of the lack of secure tenure.

Figure 40: Plot illustrating the association between average maximum daily profit and average time trading (months)

Figure 41: Plot illustrating the association between maximum daily profit and time trading (months), and legal status.

- Legal
- Illegal
and successful before even being considered as a possible tenant. In contrast to this, illegal trade, which occurs in uncontrolled environments, provides a foothold for new arrivals to start their business. This is clearly illustrated in Figure 38 (time trading), which shows that new arrivals begin trading on the Bridge and the Taxi Rank. The second example of a less tightly controlled and spatially restricted environment is the Grand Parade. Here the traders that have been on the site for many years have been able to grow their businesses substantially. This is demonstrated by the Wednesday and Saturday traders, some of whom have been on the Parade for more than 30 years and have large stalls in the range of 40 m² compared to the average stands which are 4 m² in size.

4. Too much regulation excludes people.
The data shows that self-organised sites such as the Grand Parade have traders from a wide variety of national origins (80% foreigners) (see Figure 35) compared to the Station Deck where the vast majority of traders are South Africans (92%) (see Figure 17). This is because highly regulated sites can only accommodate those traders with legal status.

5. Too little regulation leads to exploitation.
As previously discussed, leasing informal trading spaces to traders’ associations can lead to exploitation of some individuals, most notably foreign nation-als with few other options available to them.

6. Illegal feeds illegal.
One of the characteristics of illegal sites is that one finds a higher proportion of illegal goods for sale. Pirated movies and music constitute 30% of merchandise sold on the Station Bridge, while these goods were only found in one kiosk on the Station Deck. Not only are they easy to transport, but it is also not necessary to display all the merchandise, making it easy for traders to run away when the law-enforcement officers arrive. Furthermore, because traders are already breaking the law, they are willing to take greater risks.

7. Informal Markets need a critical mass to thrive.
It became clear during the interviews with the traders on the Station Forecourt that since the informal original market had been removed, their profits have decreased. The sparse number of traders that are operating from the forecourt currently simply don’t attract the same number of clients as before, even though it is directly adjacent to the main concourse of the station. This suggests that a certain critical mass of traders is required to sustain a lively trading environment.
3. DURBAN’S WARWICK JUNCTION: A Comparative Case Study

The Warwick Junction, an initiative created by a unique partnership between the City of Durban’s eThekwini Municipality and a group of local traders, has been widely praised for its policy innovations and spatial designs that were implemented during the mid- to late-1990s. This project managed to successfully incorporate large-scale informal trading opportunities into Durban’s largest transportation node, an intersection of rail, taxi, and bus transport (Skinner, 2008b:233). Approximately 460 000 commuters pass through the Warwick Junction every day, creating employment for approximately 7000 to 10 000 informal traders and generating in the region of R1 billion annually in revenue (Attwood, 2009).

The key reason for the success of the project is that those on the City Council at the time acknowledged the potential of informal trade as a key economic development opportunity, and decided to actively pursue urban planning solutions that would incorporate, promote, and support the informal activities that were already taking place in the area (Skinner, 2008b: 234). This resulted in a number of different projects and precincts (see Figure 46) including the upgrading of public transport facilities, street lighting, landscaping, and environmental improvements (Skinner, 2008b: 234). Infrastructure for informal traders was also provided, including: shelters, dedicated markets for traditional medicine traders, street trading facilities, cooking infrastructure for corn-on-the-cob traders, as well as an inner city cardboard buy-back centre, which ensured that the women who collected cardboard to sustain their livelihoods were no longer exploited by reprobate buyers (Skinner 2008b:234).

The informal traders and Council officials worked together over a ten-year period to redesign the area and facilitate the upgrading process, which also involved addressing some of the pressing urban management issues, such as safety and cleanliness (Skinner, 2009:104). The traders even formed their own volunteer group to assist the City Police in fighting crime. They called themselves Traders Against Crime, and consisted of 300 committee members who patrol all the inner city informal trading areas (Skinner 2008b: 235).

Figure 46 (left): Warwick Junction Precinct
Source: (Dobson et al., 2009:7). The informal markets that have become part of Durban’s largest Transport Interchange.

(Right): A view down towards the Taxi Rank
Source: (Dobson et al., 2009:41-42).
This unique partnership can be described as a form of “deep democracy” in Appudarai terms, whereby unique partnerships between grassroots movements and official regulatory bodies redefine the meaning of “governance” and “governability” (Appadurai, 2001: 23). What is often lacking, are such context-specific strategies which take the social, cultural, and economic practices of the urban poor into account. When the interventions are conceived from the bottom up, more can be achieved with less money, while a spirit of co-operation and interest can be fostered from within the community. People can improve their livelihood on their own terms, whilst the solutions are socially, culturally, and economically viable. As Appudarai notes: “No one knows how to survive poverty better than the poor themselves” (2001: 29).

The spatial planning of the precinct is perhaps one of the most innovative aspects of the Warwick Junction Project. Instead of imposing fixed inflexible design solutions, the architects conceived of the spaces as adaptable, open-ended frameworks which could be re-shaped on a continuous basis (see photographs on p.55). This not only ensures that the spaces can accommodate the maximum number of people, but is also a cost-effective strategy.
A view of the “Traditional Medicine Market”
Source: (Dobson et al., 2009:III).

A birds-eye view of the pedestrian bridges with trading along both sides. Source: (Dobson et al., 2009:70).
By allowing the public realm to become a space of urban accretions, created by a multitude of actors, the economic opportunities for the informal traders are maximised.

This case study provides an interesting counterpoint to the Cape Town Station example, where clearly the potential of the site as an economic asset for the urban poor has been largely neglected. After a visit to Warwick Junction, Keith Hart remarked in an interview that: “Durban has provided an exhilarating proof of how poor people, in sensitive collaboration with urban planners, can enliven a city centre, generate employment for themselves, and expand services for the population at large” (Skinner, 2008b:235). But this could not have been achieved without the dedication of the City Council of Durban, who had established an entire department dedicated to street trader management and support and had allocated more funds to the development of infrastructure for traders than any other city in South Africa (Skinner, 2008b:235).
4. DISCUSSION AND CONCLUSION

The inner city of Cape Town currently accommodates approximately 1500 informal traders, compared to the inner city of Durban which supports between 7000 and 10,000, even though the two cities have approximately equal populations (3.5 million). This clearly illustrates how different attitudes and policies affect the ability of the informal sector to provide employment. In Cape Town, the authorities have sought to manage informal trading by imposing strict limits, tight regulation, and vigorous law-enforcement. Illegal traders get harassed, fined, and often lose their merchandise, while trying to access trading opportunities. All the infrastructure upgrading projects of sites involving the informal sector that were initiated in the wake of the 2010 World Cup, have resulted in a reduction of informal trading opportunities: at Greenmarket Square (an inner city craft market) the traders were reduced from 600 to 200 and the Station Deck and Forecourt traders were reduced from 750 to 350 (see Appendices B and C).

Although the official Informal Trading Policy and Management Framework of the City of Cape Town clearly articulates the various economic, social, and spatial principles which should encourage the growth and development of the informal sector (CCT, 2003:6-7), the reality is that much more could be done to turn these principles into reality. At the moment the City acts rather like a benevolent mediator between the formal and informal sectors by dealing with the issues as they arise. It is not evident that there are proactive attempts to address the infrastructure requirements and other needs of the informal traders in the city. One issue is that the City’s financial resources have been depleted since the hosting of the 2010 World Cup. The construction of the Cape Town Stadium alone cost R4.4 billion, 100 times the cost of the Warwick Junction Project in Durban, of which the City of Cape Town paid a significant amount (Andrag, 2010).

The spatial and policy systems that are currently in place at the Cape Town Station are not conducive to an environment which supports the growth of small to medium enterprises in any significant way. This despite the fact that, as a government entity, PRASA should take their role as a support system for the informal sector more seriously. Paul Williamson of the City of Cape Town commented on this during an interview saying that: “The traders haven’t challenged Intersite on the basis that they are a government entity. But I am not sure where the entry point would be to reach national government. It is deliberately made difficult.” (See Appendix C).

The designers of the redevelopment of the Cape Town Station have shown an appreciation of the requirements of the informal sector by including statements such as: “The station is conceived as an incubator for small to medium enterprises” (MDL, 2008). On closer inspection of the original design, however, it is not evident how this was going to be achieved, as provision was not made for entry-level traders (although different kiosk sizes were indicated). What was implemented corresponded more or less with the original layout, except that only one kiosk size is available, as mentioned previously. This may have been a constraint of the design brief, but one could certainly argue that it is also the responsibility of the designers to interrogate such limitations when dealing with key sites of public infrastructure. The informal sector would have benefitted more had the architects instead opted for a more flexible and open-ended design of shelter and storage, such as that implemented at Warwick Junction. Such a solution may also have been more cost-effective.

Richard Sennett suggests that the modern problems of the closed or “Brittle” city can be understood as the problem of “over-determination” (Sennett 2006:1). The informal city is the antithesis of a “Brittle City”, bringing together the spatial systems of multiple actors, who operate between social forces and existing infrastructure to approach urban equity. It consists of an integration, interaction, and infiltration of existing...
systems; and is an urbanism that is constantly recon-
figuring its relationships and finding the most effective
construct through a dynamic process of trial and error.
It rejects the notion of a master plan and takes ad-
vantage of all available resources in order to survive.
This kind of “kinetic city” (Mehrotra, 2010) thrives in a
flexible, under-determined environment.

But how such complex systems are to be managed is
of course the key issue at hand. Cape Town’s glossy
image as a prestigious ‘World Class City’ and interna-
tional tourist destination, does not sit comfortably with
the messy realities of an emerging African metropolis.
Then, of course, there is also the fear that if the infor-
mal sector is not tightly controlled, it will compromise
the formal sector, as happened in the case of Johan-
nesburg CBD where the result has been a large-scale
flight of formal businesses to the outskirts of the city.
This fear is not necessarily unfounded, since the
problems arising from informal activities at the station
prior to intervention were compromising the safety
of commuters (See Appendix B). Intervention was
clearly necessary, yet the resulting arrangement may
have been too heavy-handed. In the case of Warwick
Junction, however, we have an example of how infor-
mal trade can be managed without compromising job
opportunities. Perhaps the key reason for the success of Warwick
Junction was the unique partnership that was fostered
between the traders and City officials, as discussed
previously. In contrast to this, Cape Town’s top-down
approach to the management of informal trade disre-
gards the knowledge and capacity of individuals to
self-organise and come up with innovative solutions
to their own problems. The more flexible and collabo-
rative approach that was taken at Warwick Junction
acknowledges that the public realm is a process (Sennet,
2008), and not a fixed end-state that needs to be
continuously re-imagined, by citizens and authorities
alike. “If the built environment is and organism, it is so
by virtue of human intervention: people imbue it with
life and spirit of place. As long as they are actively
involved and find a given built environment worth re-
newing, altering, and expanding, it endures” (Habraig-
en, 2000:7). In this context, the role of urban design
should not be restricted only to the creation of space,
but designers need to become more involved in the
policy making process as well. The process of finding
the right balance between over- and under- regula-
tion is crucial, because it affects the livelihoods of the
most needy portion of the population, many of whom
have had to leave their countries of origin in order to
survive (see Figures 43, 44, and 45).
Diverse Origins

Figure 42: Traders Country of Origin (Percentages)

Figure 43: Traders Country of Origin (non-South African)
The map shows a clear correlation to Figure 44 and 45 (right), indicating that migrants come from countries with a low Human Development Index and a high Hunger index.

Figure 44: Human Development Index

Figure 45: Global Hunger Index
5. REFERENCES


Mokeka Design Lab.


Tell me a bit about the station and the Parade.
There are currently six traders’ organisations operating on the Parade. There is a range of different traders, from the ones that are organised to those that have some kind of association. The station is managed by an organisation called Intersite, the managing agent, and all the traders then have separate contracts with Intersite.

What is your feeling about Intersite, are they happy to have the traders there or are they trying to limit trading at the station?
There is always this conflict in their minds, I believe. First of all they are the client so I have to be careful what I say! They want informal trade. In fact there has been a lot of pressure from politicians onto PRASA to ensure that informal trade stays. So there is a lot of political pressure on Intersite to do it. The issue is always how one manages informal trade because it doesn’t mean ‘willy-nilly trading’ or ‘unmanaged trading’, so informal just means that there are no formal built structures. What PRASA has been doing on the station is that they have tried to make space for a whole range of different traders. By range I mean, commercial ability. So the aim is to get all the informal traders into formal businesses over time. The intention at the time when we started this project was to set up a business development agency that would help them to organise what to sell, because there are so many people who remain on the margins because the products that they sell aren’t a good offering. There is no real product variety because all the traders buy from the same suppliers. So for them it’s more about relying on the amount of feet that pass through the space, rather than targeting a specific market or shaping their business. So 160 000 people move through the station every day. This includes the taxi rank on the deck, the trains and the long distance buses. That is a huge market for these informal traders. So getting people to the stalls is not the problem but rather what they are selling and how to build businesses rather than simple hand-to-mouth kind of scenarios. Unfortunately very little of this has been implemented. Some of the civil preparation work has been done but the design that was intended for the station deck just never materialised other than just making space available for the traders. So all the traders have been accommodated, but not necessarily in the same location as before. There were two issues: the one was to sort out the operational requirements of the station which required escape and access routes, and then the other portion was that they were trying to create a market that didn’t only rely on passing trade but that could act as an attraction for people. So there were issues around creating additional access, particularly around Strand Street. A new staircase has been added at the back of the building. There are meant to be three additional staircases to alleviate the foot traffic from the three bridges that are currently operational. That would reshape the movement patterns to support trade. The Strand Street staircases will most probably only be built at a later stage. At the moment they only have money for one of them. All the trading kiosks that were designed unfortunately never materialised because of the budgetary constraints.

So what was built as a temporary measure has now become the permanent arrangement?
Well this is the unfortunate thing, that if the budget is not found it will more than likely become the permanent layout. So it was something that certainly the professional team tried to avoid. We tried to avoid putting down anything until the final structures had been put in place but because of the pressure of the World Cup, they had to put in those temporary structures, and the reality is that they are not going to change it. My sense is that they don’t want to change it. We wanted to create a space where traders could build up their businesses, but the reality is that they are still behaving like informal traders. So in that sense there needed to be a range of different options available to traders. Firstly there is the itinerant, where people...
come and go and they move around, then a kind of in-between semi-permanent trading structure and finally a formal shop or kiosk. The formal shops on Strand Street were meant to cater for traders that were moving from informal into formal businesses. So the level of services related to trade shouldn’t be impacted by what kind of structures they have got. So cleanliness, access to water, have all been designed for including a recycling facility. Yet unfortunately none of it has been built yet. They have only constructed a public toilet and they built some seating and planting.

What happened to the small businesses that were operating from the Parade concourse? The interesting thing was that some of Intersite’s best tenants were the small business owners who had shops in the Parade concourse. Our sense was that less people were walking through that concourse as opposed to the Adderley Street concourse, but the turnover was more in some of those. We suspected that the people who moved through that concourse had more time on their hands and tended to linger a bit longer. There were intermediate traders in formal kiosks inside the concourse and they have been moved out as well. The intention was that everybody that traded on the station remained on the station, except that were some people that had more than one shop. That is how we could reduce the numbers in order to make way for some of the services.

**Can the station accommodate more trade?**
The idea would be that everybody who wants to start a business would have an opportunity. Whether they are able to do it on the station though is difficult because there is limited space and what we tried to do is strike a balance between the requirements of trade with the requirements of the operations of the station.

**But of course it had to be a prestigious kind of space too?**
Well not necessarily, but because the Cape Town Station is one of the key arrival spaces of the city there was a need to keep clean up the space. And in that particular case the informal traders that were trading from the forecourt were moved because of that, but the main reason was that we needed to keep that space clear in case of an emergency. So trading has been restricted in that area for safety reasons. The Rail Safety Authority issued a requirement that before the World Cup all train stations had to be certified. I am not sure if we achieved the certification, but that was the intention. The unfortunate implication was that all the people on the forecourt had to move. Although you see some of them are back again. The reason that they are back is because of political pressure. The intention was that the only kind of retail activity that could happen on the forecourt was things of a temporary nature, like big events and so on, rather than traders sitting there for a whole day.

I am surprised that in the upgrading process no storage facilities were provided for the informal traders. There are some facilities for storage at the station but there used to be more. You know the issue of informal trade is obviously an emotive one for urbanists and particularly students and people with social awareness. We believe that it is necessary for people to trade and we would like to see more markets in the city. The difficult issue always is how to balance this with the management of the city. Issues around crime and grime and providing opportunities for everybody. Public spaces are meant to be the places where everyone can express their identity and exercise freedom. The reality of cities though is that it needs to be managed, otherwise it dies. In the same way that Johannesburg CBD has died and Sandton CBD has flourished. So it is about a balance. When I was a student I was very critical of the Cape Town Partnership, which is this partnership between business and local government that manages the city. My take on it has always been that it is [local] government’s responsibility to do the
management of the city and by getting business involved they shift their responsibilities.

The Partnership at one time hired a consultant to do a design for the Grand Parade and it was a terrible design, and there was no public tender process for the appointment. This is then the nature of what happens. So who has control? What are the fixes, and what is the in between? At one stage the Mayor of Cape Town hinged his political campaign on promises related to the Grand Parade. There is political pressure, there are the historical events like the speech by Nelson Mandela that was held there. At one stage there used to be a circus. There are still itinerant preachers who give talks on the Parade. The level of security is the other interesting thing about the Parade. There is a string of layers of control; one being the police who offer a certain amount of control, then you have the CCTV cameras; then the traders have their own security system; and finally the Cape Town Partnership through the Central Improvement District have their own security. So there are a variety of actors, some exercising control while others like the itinerant traders and the pickpockets and street children try to just get enough to get through the day. All these layers make for a very exciting place. Some of the kiosks are open 24 hours and one time the street kids made a huge bonfire and nearly burnt a tree down. It's a very dynamic place and the station is exactly the same. Intersite doesn't have the ability to control that. They had one person managing the station grounds so there were all sorts of security problems like drug dealing, prostitution, illegal alcohol. So it is impossible to accommodate everyone because there is a limited amount of space. It is the responsibility of the city to provide infrastructure for the traders. One can see with the informal traders in Adderley Street there has been a small attempt to provide a bit of infrastructure, but perhaps we need a central market where we could see more exciting wares, not just the same old Chinese stuff. I think there is an interesting dynamic between the opportunists and the organised businesses. So in that sense the centre of town is a microcosm and reflection of our country and where we are at the moment. Part of the problem is that the people who own the trading rights sell them on to foreigners. The rental agreement with Intersite requires a South African Residence Permit and many of the guys who operate there are not legally in the country. They sometimes have Temporary Asylum Seeker Permits.

*There seem to be fewer and fewer locals trading on the Parade?*

Look my opinion is anecdotal, I don’t have any evidence for it, but certainly the little that I know about the Somalis is that they are a nation of traders, and they work hard. It comes naturally to them, and their work ethic is extremely high. Their shops are open when many other shops aren't open. So I think there is a skill that they have that our local guys don’t always have.

*What are the future plans for the station? I know that there is talk of putting the railways underground.*

That is scenario planning! The idea around the station is for Intersite/PRASA to maximise their income opportunity. So the problem that they have is that the government subsidy for their operations is being cut, in fact government will withdraw its funding entirely. The response that PRASA had was that they wanted to use their assets such as the land associated with the infrastructure, especially strategically located sites, to generate more income. So we were asked what is the best way to deal with this problem. So with our urban design hats on we wanted to remove the enormous barrier that is currently created by the railway tracks, which effectively separate the inner city from the sea. The idea was to blur the boundary between the inner city and the foreshore and create a continuous city across it. There are only two ways to achieve this. Option one would be to remove the station entirely and relocate it to another site and bring in a different service into the city. It is interesting to know that by the time trains arrive at the Cape Town Station the bulk of commuters are off them already. A station like Salt River is actually an extremely busy station where people change over to go towards Bellville. So most of the trains that come into the city are essentially empty.
The big problem with Cape Town Station is also that it is an end station. So trains come in, wait, fill up again and then take the same track out, and in that time the track and the platforms cannot be used by other trains. So that is why it is so big. So there was an idea to make Salt River Station the main station of the city, and make it into a through station. The other scenario was to deal with the problems of the end station.
Firstly I will give you some background:
We form part of the PRASA group and are known as CREST (Corporate Real Estate Solutions), in short we manage all the immovable assets for the group. Cape Town Station was known to have an enormous number of informal traders. What we decided in principle was that we were going to clean up the entire site, as part of phase one of our redevelopment project in time for the 2010 Soccer World Cup. We had to engage with the informal traders and the management entities and say, “Listen, we would like to close down the existing markets, erect new stalls on the deck, and this is going to be the process.” That process took us 18 months, which included the following: understanding informal trading: the fraternity: the dynamics associated with that: and how we could go about this process.

At the time the informal traders were not managed or regulated at all because we had a very simple lease with the management entities and say, “Listen, we would like to close down the existing markets, erect new stalls on the deck, and this is going to be the process.” That process took us 18 months, which included the following: understanding informal trading: the fraternity: the dynamics associated with that: and how we could go about this process.

Interview with Mr. Neil Engelbrecht at Passenger Rail Agency of South Africa (PRASA), 5th of August, 2011, Cape Town.

We also took an in principle decision to have no management entities on the site, because we preferred to have a formal agreement between each trader and PRASA. We have placed 149 kiosks on the deck up to date. The owners all have individual agreements with PRASA and we manage the deck accordingly. We are also very strict with our commodity survey, because we don’t want to compromise by allowing too many people to sell the same goods. We had our last presentation to the general public and the traders on the 9th of December 2009, where we said that if there are 300 opportunities we are going to have beauty, convenience food, and so on. We also arranged it in such a way that we minimised dead-ends by placing businesses that relied on heavy foot traffic, next to
really busy kiosks. So this was all informed by the survey.

Even though it was a temporary solution it seems very permanent now.

Two months ago we took the decision to make those temporary units permanent. At the end of the day there will be 350 units. So the current process has been a move away from the ‘informal market’ to what we call the ‘small business enterprises market’. The informal fraternity just has a kind of negative connotation, so we wanted to give some pride to the small enterprises market—meaning from here there is the next step to climb. With that process there have been successful applicants and unsuccessful applicants based on the criteria, and then we also have a waiting list. So that is currently what we are trying to facilitate for the next three months. We are trying to get the construction sorted out. In parallel with that we are working on our process to screen the people that are coming in, and the placing of the various commodities. So it has been 24 months of, believe you me, even bulletproof vests. It has been tough because there were lots of people who also tried to exploit the vulnerable, and we broke up those exploitations. You see, if a person is an informal trader, they really have to make ends meet to contribute to their welfare, but this is not the kind of living where you become a millionaire. We have appointed two informal coordinators that manage the market, and we don’t work with cash at all. The tenants pay directly into PRASA’s bank accounts and it’s their responsibility to present their deposit slip to the coordinators. There are arrears but if we see they are too far behind there are letters of demand that must go out. It is not an easy environment.

Can you tell me how many people were trading on the station and how many have been accommodated in the new setup?

There used to be more or less 700 - 750 traders. One of the challenges was how to confirm the number. The management entities had to give us their lists, which were basically liquid. It always escalated, so eventually we had to draw the line and start the reallocation process. At the end of the day we could only accommodate 350 people. We engaged with the City and Province and asked if there was any other land that could be used. The city gave us certain options which were rejected by the traders,; we gave them some alternatives, of which some were accepted.

There are still casual traders who are trading on the bridge and on the forecourt. How is that managed?
The casual traders on the bridge are illegal traders. On a regular basis our security company, together with the South African Police, Railways and the law enforcement officials of the City, remove these guys. What we need is regular enforcement because as soon as the officials leave the illegal traders come back. The implication of the absence of this kind of management is that it gets out of control, but our traders also complain because they feel it is unfair if we allow people to trade freely whilst they have to pay. But this is not only the responsibility of PRASA, it is also that of the city because the entire station deck has been declared a no-trading zone except for our area. So wherever there is trading outside the designated area on the deck it is considered illegal. Secondly, the people who are currently trading on the forecourt form part of the group of successful applicants who are awaiting their space in the permanent market. We gave them the option of having a table on the forecourt temporarily until the kiosk on the station deck is completed.

Is there no possibility to manage the illegal traders in a different way, where they could perhaps purchase daily or weekly trading permits?

Let’s take a step back. We had 750 traders and we could only accommodate 350. The mandate of PRASA is to manage one of the flagship stations within the metropolitan area. We need to ensure that people
come, get on the train, and get off in a safe and secure environment. We could provide space for 1000 traders but then we would compromise the safety and security of the commuters—and we manage a very strict rail safety protocol. There will always be a demand for more trading space. To regulate the illegal activities, our lease agreement makes it clear for our traders: you stick to the commodity that was specified and if you get caught selling any illegal goods you are out. The South African Police and customs raid on a regular basis. We don’t want to go back to where we were before in terms of management. The illegals must just be removed. That is our clear call to SAPS Railways, our security, and the law enforcement officials of the City, because today it’s ten, tomorrow it’s twenty and before you know it you have 100 people trading illegally. We simply don’t have the space. Our current challenge is to manage the informal traders that are trading on the trains and platforms. We have engaged Shosholoza Meyl, Metro Rail, Protection Services, the Province, and the City. We cannot compromise the safety of our commuters. We will have a designated area where we can accommodate them, but unfortunately we have spatial confinements.

**When the station upgrade is complete, will you allow any informal trade on the forecourt?**

You won’t see any informal trader in the forecourt or on the concourses. Only in the designated market area. The infrastructure has been designed based on the requirements of informal trade in that area.

**What process did you follow regarding the relocation or reallocation of formal businesses who used to have shops in the station precinct?**

When we closed the concourse, based on phase two of the development, we just gave all the tenants notice, based on our development clause. The lease agreements came to an end. Some of the businesses took part in the EOI (Expression of Interest), and applied to be reallocated a space based on certain criteria. Some have been successful, others not, and there is also a waiting list. It is very important for us to get our mixture of tenants right. For example, we didn’t allow any cell-phone repair shops into the market area because we have MTN and Vodacom as tenants on Strand Street. So there would have been a conflict of interest because the informal sector can provide the same service at a cheaper rate.

**What do you think about the informal trading that is currently happening adjacent to the taxi rank?**

Technically this is also a no trading zone. During peak traffic hours, you will see these mobile traders appearing. The absence of law enforcement on a regular basis creates that problem.

*I also noticed that the illegal traders on the bridge carry their merchandise in bags so that they can easily run when the law enforcement officials arrive.*

Yes, they run, but we are on their case all the time. We have a zero tolerance approach. You need to be vigorous in managing and controlling. As soon as you lose that you compromise the objective. If you compare the situation we had on the station before to what it is today you will understand. It is totally different. It used to be cluttered, stalls everywhere. The ideal environment for pickpockets because the busier the station, the better the environment for pickpockets. Those are the things that we are clear about. You won’t find a nightclub or liquor store at the station. There were certain things that we just wouldn’t allow because of the negative elements that they attract. We had objections to this. Now we only allow licensed restaurants to sell alcohol with a meal. Where we came from compared to what we have achieved is valuable. The public participation process was absolutely crucial to make the project a success. I think one of the golden rules is to appoint an independent facilitator. Obviously the landlord can be seen as a dictator, but we were just one of the other role players. The engagement process
was expensive, but it was a worthwhile investment in taking the people along with you, whilst not dictating. We are champions in facilitating the informal fraternity. Some of our other regions are really battling, so we have been asked to help manage other facilities as well. Obviously the regions differ, but they are asking for our expertise, because our market has been so successful. I think their principles could be amended. It definitely does not work to simply go in and bulldoze.

_How did you manage the process of allocating the 350 kiosks to traders?_

Part and parcel of our EOI process was that we required certain documents from the traders. We needed identity documents; as a foreigner you needed your certificate of refugee status, a section 21 permit, and work permit. Then we organised a confirmation session with the Department of Home Affairs where all these documents were validated and certified true and correct. We needed a very clear process in case people challenged us, or accused us of favoritism or corruption. So we developed a points system based on certain criteria. Where was a questionnaire that each applicant had to fill in. You scored more points if you were female, from a previously disadvantaged racial group, disabled, and had been trading on the station for longer than 10 years. We also required proof of residential address and points were also allocated depending on what commodities you were planning to sell. Locally produced goods were favoured. It has been time-consuming and an administrative nightmare but we had to go through this process. We also had some objections from the Public Protector, in cases where people felt they were treated unfairly. We responded via our legal team, and we managed to win all the cases because there was a clear process. Part and parcel of the process is that you deal with illiterate people, and we needed to practice a lot of patience. We had to therefore show some flexibility towards meeting our own objective and the process took a bit longer than we thought.

Informal trading is a national challenge and we need to take our management thereof to the next level.
The Grand Parade is public space, and Cape Town Station is managed by the rail authority, so the City has two different roles there. If we go back to the 1980s and think about how informal trade was managed on the Grand Parade one has to say that it really wasn’t managed. Informal trade was a law-enforcement issue: you had to wear a white coat, and you needed a permit to trade and if you didn’t have a permit then you couldn’t trade. When it came to spaces like the Grand Parade, you can’t expect law-enforcement to manage 600 traders and the city just wasn’t in a position to deal with it, so in the 1980s they decided to deal with it be means of leasing out the space. So they went out to public tender and invited people to lease that space to run a market. Initially there was only one trading association and today there are 6 different associations. It is a problematic system because 5 of the associations pay R150 per annum and one pays R6000 per month to lease the space for historical reasons. Needless to say, that association is taking huge umbrage at s the associations that only pay R150. The R150 leases were signed at a time when the City decided that because they were dealing with emerging businesses at the bottom end of the economic scale, they would keep the rental amount very low. Those leases, although they were signed in 1980s, are effectively still in place and they are hugely problematic. In early 2000s the decision was taken to upgrade the space, because it is an iconic place, with tremendous historical significance, it is where Nelson Mandela addressed the nation.

So the City included in its budget a plan to upgrade the Parade. The idea was to create a flexible space that could be used for various events, as well as continue housing the market. The project was planned in three phases. The 2010 World Cup meant that phase 1 got speeded up, and in a sense it jeopardised phases two and three because of financing. The World Cup meant that phase 1 had to be completed at all costs and in a short space of time, and there was no rollout plan for the other phases at the time. The other source of debate is that there was some confusion about which city department was responsible for the management of the Grand Parade. Is it Roads Department’s responsibility, or City Parks, or Economic Development? At the end of the day the City determined which department had the most responsibility in relation to the activities that took place on the Parade, and assigned the management of the space to that department. At the moment the Parade is managed by the Sports and Recreation Department, which looks after the City Hall and other civic amenities.

In terms of the informal traders, there was an extensive public participation process to manage the upgrade process which was done by a private company. From my perspective they were absolutely brilliant, they treated everybody the same. So whether you were a councilor, a city official, an informal trader or a member of the public, you were treated in exactly the same way. Their frustration lies in the fact that there were three phases planned for the Grand Parade. You can’t talk phase one only, so they looked at the master plan and the city has done phase one but what happened to phases two and three? Phase two will cost in the region of R23 000 000, of which we only have about R5 000 000. One of the other factors that is slowing down the planning process is the integration of the My City Bus Rapid Transport system with the new layout for the Parade. We are not sure what is going to happen with the existing Golden Arrow bus terminus adjacent to the Parade, because if we are going to have an inner city bus service, then we don’t need that end terminus. The other question is where the bus lane should go. Ultimately the planning officials would like to see a large pedestrian crossing on Strand Street, linking the station with the Parade in a seamless manner. This would mean that Strand Street, which is currently quite a fast road that divides the city, will have to be slowed down significantly. There are a number of challenges.
with the Grand Parade:

Firstly, parking on the Parade is a contentious issue. We don’t want to have any parking there, because there are many other parking areas in close proximity to the Parade, and we are also trying to encourage the public to make use of alternative methods of transport and walking and cycling. This is causing a lot of tension because some people swear that their livelihoods depend on it! The informal traders feel that their customers use that parking and also many of them trade from their vehicles. The city gets challenged when it treats informal traders differently to formal traders. Why should you be given an exclusive use of prime city land because you are an informal trader? There are also maintenance issues to consider. Part of the thinking is that once the Golden Arrow busses are no longer using that space, we could either demolish the existing structure to open up the space more, or we could convert it into a market area.

Secondly, the current leasing structure is very problematic. I am being upfront and the traders will take great umbrage to this. First of all, the thinking around the lease agreements that were set up in the 1980s and 1990s wasn’t geared towards facilities management. In effect, it is just a building lease and our Property Department does not oversee or manage the lease. They aren’t interested in what is happening on that space. The lease doesn’t allow for the detailed management of the activities on the ground. For example, some of the trader associations are extreme gatekeepers: “If you are not a foreigner, don’t come to me I am not interested.” From the City’s perspective they are extorting money from foreign nationals who are absolutely desperate and have nowhere else to go. They get charged a daily rate to be able to trade on the Parade and then they are cramped into a very small space. That association is not interested in a dignified public space or the quality of doing business. Other associations say: “If you are not Christian or Muslim, don’t come to us.” So there is serious gatekeeping. The lease agreement doesn’t specify how many traders are allowed to trade in the space, or the cost to the traders which is very problematic. It also doesn’t cover maintenance issues. The traders will talk very quickly about the fact that they are creating job opportunities, but they actually do not care about the space itself. One of the discussions that the City will have to start having with the traders is that informal trade on the Parade is a given and it will not be taken away, but we don’t think it should be the private domain of trader associations. We would prefer to have a space manager from the City’s side to look after the entire space, and regulate how they trade, where they set themselves up, and avoid any discrimination. One of the fall-outs will be that those traders’ associations collect a packet of money from the traders on a daily basis. Where does that money go to? You can do the maths if you consider that they only pay R150 per annum to lease the space. One has a bit more sympathy with the Grand Parade Traders’ Association which pays R6000 per month but even they are making a profit. The City’s stance has always been that we are incredibly supportive of the individual trader. Once we know what is going to happen in phases two and three then we will start having that discussion, and it will be an uncomfortable discussion because there are some very strong vested interests. Firstly, we would have to talk about the space, and then talk about how many people we could accommodate. The traders are very astute in saying that they have been there historically--- for the last 25 years--and they will have all the arguments. But the City will have to go through a process to determine who is allowed to trade on the space, in terms of commodities, value add, and that sort of thing. I see us getting into court cases once we terminate the leases. It is going to be an interesting time...
Do you foresee that it will be a similar process as was followed by PRASA and Intersite at the station? The City would firstly have to determine the size and the layout of the space. Once that has been determined the next discussion (again there are very strong views, and opposition within the City by officials and politicians) one would have to decide what kind of commodities we would like to see in that space. Once that is determined it will be quite a clinical process to invite proposals from the existing traders for specifically allocated spaces and commodities. You would have to be a legitimate person in South Africa, a South African citizen or a foreign national with rights to work in the country, that we can enter into contract with. We are very aware that there are a substantial number of people on the Parade who have no rights in South Africa and this means that the City cannot enter into a contract with them. At the moment it just happens; the moment the City starts managing that space, it is going to cause tension. One of the better examples of how this could be managed is the Greenmarket Square. Buddy Shabaan, somehow ended up in charge of that space. Well he jammed in as many people as he could and extorted a fortune from the traders. Eventually the City went through a process and terminated his lease agreement with the City. There were threats of court cases and we navigated our way through that process. The first step on, then, was to say: “The City now manages this space”. The City then issued individual lease agreements and permits to the traders. So there is now a direct contract between the City and the trader. Again there was a public participation process which had to be followed in order to upgrade the square. Every trader was given a 2m x 2m space which then resulted in the allocation of 200 trading spaces. The fact that we had 600 traders at the time created a big screaming match with everybody being very emotional, but we said, “Sorry. We went through a process, you were part of it, and the end result is 200 traders.” I see the same process being used for the Grand Parade.

At the moment if you want to trade anywhere on the street, you have to have a permit? In terms of national legislation you cannot trade anywhere in the CBD without a permit or a lease. The permit specifies a specific location. In 1991 national legislation came in which specified that the default situation was a free trade area. You could trade without permission, as long as you adhered to some basic conditions. The consequence of it was that we had an enormous number of traders in St. Georges Mall, and property owners went ballistic. They said: “Sorry, we don’t care what National Government says you can’t have free for all trading. You need to have a regulated environment.” So the City of Cape Town was instrumental in getting national legislation changed to say: “Sure the default position is pro-trading, free for all, subject to basic conditions, but there might be cases where you would like to have restricted trading zones, or no-trading zones.” Legislation was then changed to say that if you restrict trading there has to be an extensive public participation process, it should be a process of last resort, and the decision needs to be taken at the highest level possible within the City. So there has to be a majority decision by all 226 councilors within the City, on the basis that restricting or prohibiting informal trading is an extremely serious decision. That was done for the entire inner city of Cape Town. All trading zones are now clearly outlined by yellow lines, and you require a valid lease or permit to trade within those areas. The city keeps a record of all the bays that have been allocated.

Do the traders sell their trading rights to foreigners or sublet their spaces? Yes, they sublet them or in some cases a foreigner will marry a South African citizen. Often the trader’s assistant is a foreigner and then after a while the foreigner becomes the principal trader and the South African disappears. We do also have a number of foreign traders who are in South Africa legitimately and have been issued with permits. The thinking has evolved to very specifically designate where the trading bays are located on the pavement. This makes the legal process simpler, and ensures that law enforcement can happen.
So your law enforcement team have a mandate to check for permits and patrol the streets regularly?
Yes, certainly street trading areas are monitored by law enforcement although it is not the same for the Parade. In Cape Town CBD the officers know the traders by sight. So it is a very quick process. We have only 36 informal trading law enforcement officers who cover the entire municipal area. So this doesn’t really work, and they tend to be more complaints-driven and to focus on specific areas. In Cape Town we are fortunate that we have the City Improvement District (CID). JP Smith, our member for safety and security, pushed to allow the CID to employ their own law enforcement officers. So they have their own dedicated law enforcement team that patrol the CBD every day. They can impound goods. The policy is not to throw law-enforcement at the problem, but rather to talk about training, development, education, but if anyone chooses not to listen then law enforcement will go in. The trader will generally first get a verbal warning, second a written warning or a fine, and then ultimately goods can be impounded. The worst sanction is that the permit can be terminated. We are going through a process now of consolidating the permit system citywide, into a computer-based system. Where we are heading is that if your permit gets terminated for non-compliance with city by-laws you then get blacklisted and will not be able to access a trading bay anywhere in the municipal area.

Let’s talk about Cape Town Station.
It is a difficult area to talk about because it is run by PRASA, and they see the station as their private property, their sole domain, to do what they want to with it. The City was part of the team responsible for the upgrading of the station. There are 2015, 2020 and 2030 visions. We tried to argue that they needed to create opportunity for emerging businesses as part of the upgrade. Initially you had a flea market on the station forecourt and a flea market on the station deck. I have a bit of cynicism that the association that ran the flea market on the station deck, is also one of the 6 associations on the Grand Parade. To me that is not really about informal trading and creating opportunities but is about self-enrichment. On Cape Town Station we said: “There is nothing wrong with having a flea market, it is about how you manage it.” We had a strong sense that at the end of the day PRASA didn’t want to have any informal trading within the station precinct that was not in a kiosk. We didn’t agree with that, but they simply noted it and carried on. We have expressed that view to them at different levels very strongly, with even the Mayor at the time getting involved. At the end of the day they said: “This is not City land, it is owned by PRASA. Thank you, your concerns are noted.” So it became a bit acrimonious. That acrimony came to the fore when the decision was taken to effectively shut down the market on the forecourt and on the deck. The figures vary, but between 400 and 800 traders got displaced, and then everybody suddenly turned to the City and said: “It is your problem.” The City then turned around and said to Intersite: “Sorry, your decision to have a particular design and layout has had the consequence of the displacement of traders. The fact that you as Intersite didn’t manage the traders and thereby had illegal traders on your market, means that when those traders get displaced it is as a result of your decision.” It was a very uncomfortable process. The aim of the upgrade was that they wanted to create those kiosks arranged in a U-shape on the deck. The concerns that the traders have raised was that what was shown to them during the public participation process (also driven by ERM) is very different to what has finally been implemented. What you have there is not attractive and it doesn’t add value. Intersite also went through a very clinical process to reduce the number of traders that they had on the station overall to fit into the number of kiosk that they had. It was a very clinical process, They approached it as a landlord, with no sensitivity towards emerging businesses. They looked at the kiosks as providing a service to the commuters. You had to be a historical trader, specify which commodities you were going to sell and indicate that you had the financial means. I think it was deliberately meant to cut down the numbers from 750 to 350. Initially Intersite were planning to re-accommodate up to 600 traders, which is why the
City backed off a little bit. The reality is also that their budget was cut down significantly.

The other thing is that informal traders don’t see Intersite as Cape Town Station only, but rather as encompassing all the railway stations in the Western Cape. The reality is that the economic climate is harsh, we have foreign nationals who are coming into the City daily, locals are unemployed, and they are all desperate to have some form of income. The consequence is that they trade outside the stations, they go onto the platforms and onto the trains. A couple of years ago PRASA got a high court interdict against that sort of trading, but they haven’t implemented it. PRASA has to engage with these informal traders now, who are trying to come to an arrangement regarding these opportunities. The station will be part of this discussion because what was shown to the traders and what was delivered, were completely different from each other. To me it is an absolute tragedy. Government is so unwieldy. The traders haven’t challenged Intersite, on the basis that they are a government entity. I would be very interested to see what would happen if they did that, but I am not sure where the entry point would be to reach national government. It is deliberately made difficult.

One of the things that I said to Pierre Cronje at Intersite is that they should manage the entire station as one facility, so that one can accommodate daily and monthly traders. Having a kiosk is fairly sophisticated way of trading, so one needs to create opportunities at the bottom. Even to the extent of taking over the taxi rank. Currently the City is responsible for the management of the taxi rank, and the informal traders exploit that. This is problematic from a law enforcement point of view. Traders are very good at knowing when to stand on Intersite property and when to stand on City property.

One of the stumbling blocks for me, sitting at Economic Development in the City, is that the City has many different faces and responsibilities. So if you talk to our engineers who have been involved with the station upgrade they would say that the space should be kept clear in case of a disaster. The spatial planners on the other hand like to see these economic activities. So there is an ongoing tension. We wanted the old long-distance bus area at the forecourt to be set aside as a functional space with some economic activities on the edge. That hasn’t happened.

But there are informal traders there at the moment.

I have looked at that, and I am keeping quiet about it because they were there historically and have come back. I am keeping quiet about it because in terms of the grand plan they are not supposed to be there. The group of traders under the trees have not been managed properly by the City. Initially that area was designated for people coming from the townships to trade informally and generate some income until they could progress into one of the demarcated trading bays. Unfortunately they haven’t been managed properly. There used to be a group of ‘mamas’ trading there—beautiful, but now there is a mixture of foreigners and hairdressing and food stalls which is problematic.

The City is under pressure from businesses to re-look at informal trading in the central city as a whole and then we would have to tackle that area as well. But we won’t get rid of traders. There are two areas where Intersite does not want traders. The one is the area under the trees and the other is the Strand Street commercial edge. When PRASA spoke to me about these areas their starting point was that the traders were undermining the formal businesses that are leasing from them. In my opinion that is not a relevant argument. I even got a phone call on Christmas Eve to tell me that about a trader on the pavement! I said to the caller, “Look, the free market economy exists for a reason. People are allowed to trade in the space. They shouldn’t be penalised because they are trading in goods that are competing with other businesses.” The businesses act emphasizes that one can’t prescribe to traders what they can and cannot sell. But the City has expressed views that in some cases one would need to regulate what traders are selling. For example, what happens when traders set up outside a school and sell...
cigarettes? The end result is that the City passed a new bylaw in 2009 that allows the regulation of goods sold by traders and the times that they are allowed to operate.

I don’t think the City has really come to grips with statistics about the informal economy, in terms of numbers and commodities. One of the issues that the City gets confronted with on a regular basis is the consulting process with traders that is necessary to be able to manage a space. The City encourages the traders to form associations because it is difficult to consult with two thousand traders. The City’s stance has always been to engage with traders’ associations. But we don’t believe that they are the sole entry point to engaging with traders. On the other hand, however, the City also engages with individual traders, but that can cause a lot of tension among the traders’ associations. They want to flex their muscles, they are the power base, they are the entry point, they can speak more eloquently, they understand the issues by saying that the traders are idiots. At Greenmarket Square we engaged with Buddy Shabaan but we also handed out flyers to individual traders. Buddy went ballistic! But at the end of the day we wanted to communicate directly with the traders. Riedewaan Charles and Rashida Muller from the Grand Parade associations have been trying to set up a unified traders’ association for the Cape metropole (The Traders Association of the Western Cape). They claim that this group exists and that the group has tried to engage with the City on a number of occasions. The City has always been open to engaging with such organisations, but let’s engage on the basis that you come to us and advise us on where the City policies and by-laws are lacking and need to be improved on, or what opportunities we could create. Do not engage with us on law enforcement action that is taking place, or court cases that are currently happening. Every time we have had discussions with Rashida and Riedewaan they want to talk to us about individual issues. I know there are two sides to that coin. They are trying to show that they have power and that they can influence the City and make a difference but on the other hand it is just simple politics. We don’t accept it when an individual trader who has taken action against the City is then represented by Rashida and Riedewaan. It got really difficult, so they do have issues with the City. In terms of the Grand Parade, they believe that the City is not dealing with the informal economy seriously, and that we could create better opportunities. I certainly agree with most of their comments.

Can you tell me a bit more about your informal trading policy and by-laws.

The substance of the City’s policy document on informal trade dates back to 2003. The director at the time was adamant that she wanted to see who was responsible for what in the policy document. Those things have all changed now, so the substance of the document still holds but some of the details are outdated. The City is very good at creating policy, but policies are not law. We have taken the policy and translated it into an informal trading by-law. So that became the legal empowerment arm of the policy document. What people often forget is that the informal trading by-law is not only there to regulate informal trading, but it also puts a legal obligation on how the City manages informal trading.

When one sees an informal trader on the street one doesn’t always recognise the organisational systems that are in place to make that happen. An unemployed person will put up the structure in the morning, somebody else will pick up the goods from the storeroom and get them there. Sometimes we have accidents. I have got an email that I have to respond to saying that a trader caused damage to my vehicle and I am holding the City responsible. The motorist was really irate because the trader just laughed at him and walked off! So there are a host of complications that go along with informal trading. One of the other tensions we have always had is that we have to shut down the trading activities when we have a big event on the Parade. I don’t see why we cannot work around the crowd control issues in a different way to allow the trading activities to continue during the event.
How long have you been involved with the market on the Grand Parade?
I have been involved with the Grand Parade for more than twenty years. The market became more organised about twenty years ago when the traders became more organised and started forming their own associations. Eventually they applied for a lease from the City of Cape Town, to run their little businesses there. I became involved after I was retrenched from my teaching position in 1987 and I needed something to do. I was in my 30s. So I started up a local manufacturing business at home, and the wares that I manufactured I took to the market. I have been the chairperson for the last twenty years and they don’t want to let me go! They re-elect me every year. My husband and I are completely dependent on informal trading. I still have a stand at the Grand Parade, and my husband has a kiosk on the Cape Town Station Deck. I manage the Grand Parade United Traders’ Association and we have a membership of about 150 traders.

What is the process to join your organisation and get access to a space on the Parade?
Well we have rules and regulations, and criteria. We don’t like to overtrade certain products, so we encourage traders who come in with new products.

How does the payment system work since permanent traders pay a different rate to casual traders?
Basically we charge because traders need to know that they have to pay to be able to trade. At the end of the financial year I give the permanent traders 90% of their fees back. The fees are there to cover some of the operational costs. We do have a site manager that gets a monthly salary, and I get a cell phone allowance and petrol allowance for coming out to meetings, all very nominal figures. The money that gets generated is simply given back to the traders although I do have greater visions for better empowerment, such as investing the money into a pension fund or medical aid scheme. We have been talking to Metropolitan Life. I don’t only represent the Grand Parade Traders, I am also the Public Relations Officer for the Western Cape Informal Traders Association and I am also the PRO for the South African Informal Traders’ Alliance that they want to establish for all the provinces in the country. So I have been very involved in the informal sector since the late 1980s.

What is your position on how the City of Cape Town is managing its informal trading spaces in the central city?
I will send you the latest documents that I have sent to the City of Cape Town. My personal view is that the City can’t be bothered with us. We are basically a nuisance to them and they keep us quiet by letting us trade peacefully. Economic development and growth is being stalled because we do not have a very good partnership with the City and the corporate sector. I believe that much more could be done, but that we need partnerships with the City, Provincial Government, National Government and the Department of Trade and Industry. The other day I read in the newspapers that Government invited delegates to go to China on a business trip but they invited only partners from the corporate sector. I asked myself why are we not considered as an important part of the South African economy? When might we be exposed to global partners, since many of us are manufacturers and crafts people? On a Wednesday and a Saturday you will find people on the market who are manufacturing their own beads, bags, clothing. Why can’t this be developed further? We cannot do it on our own. We need support. We need access to finance. Government pays for the pavilions in China representing South Africa, but they only take the big businesses along. Of course, the formal economy must grow, but what about
having a small piece for the informal sector’s growth?

In the finer details of the day to day management of informal trade the City is not playing its part. We had a meeting in May, because I made a submission. They actually made my submission the agenda of the day, but we haven’t even received any minutes to that effect. I have to send him an email asking for the follow up. I just feel like nothing happens. Yes they have a benevolent attitude, they give us leases, but if you have a closer look at our leases you will see that they are from month to month. We have been on month-to-month for 15 years and that is why I am saying that the lack of security of tenure is the major issue for informal trade. We cannot plan, and we cannot develop anything. Even if we found ourselves a partner like Metropolitan Life. We could, for example, get them to build us kiosks in exchange for some advertising opportunities on the Parade. We could, for example, get them to build us kiosks in exchange for some advertising opportunities on the Parade. We cannot plan, and we cannot develop anything. Even if we found ourselves a partner like Metropolitan Life. We could, for example, get them to build us kiosks in exchange for some advertising opportunities on the Parade.

Look what happened in Greenpoint with the building of the stadium. I have a box full of correspondence about how they were going to house us. I was actually jailed for my stance. I had a major run in against Premier Helen Zille because of the promises that they didn’t fulfil. So yes, I was put in the back of a truck at the age of 55. All because I was talking to my traders, because they couldn’t house all of us. They were going to be selective. I couldn’t accept that because in the meetings that lead up to the development we were told that they were going to house all of us. We were 400 that had to move, and they only re-accommodated 249.

The City says one thing and does another. The closed cabal on the Parade also means that there is 5000 m² assigned to 39 people! I fight that and I am a hated person. I am not very well liked because of the way I operate. I am not happy because it is government land. You can fit 20 of our stands into one of theirs! Things change and it is informal land and I want the City to have one policy towards all the traders. There is no real public participation on this matter. The City says one thing and does another.

The inclement weather also affects our business very badly. It is a situation where we basically eke out an existence, hoping for the best. We have written a document specifically on the crime issues as well. You see we don’t have storage on site. A permanent trader basically pays R75 per month for 4 m², but on top of that they pay at least R350 for storage which is a mile away. Then you also have to get two boys to push that box up and down, which costs another R60 a day. Also there is no compensation if your box gets broken into in the storeroom. So if you calculate all that, it is crazy! I have been fighting these issues, but we simply don’t have an enabling environment to trade in. It is the City’s responsibility to create a more enabling environment.

It is also a problem that women are marginalised. Most of the local South African traders are women but you have probably noticed that the country demographics of the traders are heavily weighted towards foreign nationals from other African countries, Nigeria, Senegal, Somalia, Zimbabwe. And these traders are mainly men whilst 80% of the local traders are women. You have to understand that the women who trade have the double burden of looking after the children and the household as well. So it is difficult for them to compete with the male traders.

Has the market undergone a big transformation in recent years?

Yes, before 1994 it was mainly local families who traded informally because it was worthwhile. If you do your statistics, you are going to find that 80% of the traders on the Grand Parade are foreign refugees. It has become difficult for some of the locals to compete. We made more money 15-18 years ago than we do now. It’s a survivalist market at the moment. The market
used to be vibrant and we used to make money. With
the influx of foreign traders, the local traders just
started to disappear because they were not making
money. It is the same scenario in every province. Last
year I attended a conference arranged by Streetnet
where they called all nine provinces together. In every
province people have said that 90% of the traders are
foreigners. I don’t know what to put it down to. Are they
better or more hardworking? I don’t know. The local
traders have smaller stock values, and these foreign
traders come with fully packed stalls. Sometimes we
just can’t understand. They are coming in as refugees,
but they are coming in with more stock, they always
seem to have more of everything. What is it that we are
doing wrong?

How do you feel about the effect that the redevelopment
of the Cape Town Station has had on the informal sector
that used to occupy the station deck?

The historical market developed over thirty years.
Well you know, my husband has been trading on the
deck for more than 20 years because he also lost his
job as an electrician. We traded on open areas and
paid around R300 per month for a 9m² space. It was
a bit of an effort to set up the stand and take it down
every day but it worked well. We did something that I
don’t think anyone else in the world has ever done for
informal trade. We formed a limited company with the
informal traders on the deck. We wanted to make the
traders shareholders in the company, by sharing the
profit that we were going to generate by having a lease.
The redevelopment that came with World Cup 2010
meant that we were wiped out on the deck. Our leases
where chopped, our necks were taken off, and we lost
the land, we lost the land. I am not finished writing that
document, because I feel very strongly about it. If you
understand the politics of South Africa you will realise
that with the Black Economic Empowerment (BEE)
we, as the informal trader organisation that became
a company should have been nurtured, but we were
broken down. And by who? By government structures!
The stations are owned by Transnet, by SARCC, who
are the government. Why did they break our company
by taking our leases away? They took them away
because that is the way our leases were run. If they
develop an area they have the right to give you three
months’ notice, off you go, out you go by the door. That
was the backbone of our company.

I also understand that what was promised to the traders
in the original agreement was different to what has been
delivered up to date?

That is correct, they promised us certain things that
have not been delivered. If you look at it, my husband
is paying R1000 per month, it is going to be R1200
soon, for 4m²! Compared to R300 for 9m² before, and
if you can’t pay it - out you go! Period. Finished. What
I am trying to say is that we really didn’t get the better
end of the stick because they realised they should be
managing it themselves. They promised us bigger units
at lower rates, they made the temporary structures
permanent and we just don’t have the foot flow that
we used to have in the open market. Before all the
commuters were flowing through the main artery so that
each trader would have equal exposure. Now people
are choosing different routes. Informal trade thrives
in places where there is a great footfall. Many traders
have experienced a decrease in their turnover. Some
days we just make nothing. I am not sure how we are
going to survive. PRASA don’t care, they simply say
well there are a million others waiting. Many, many
people did not get their kiosks. There were a lot of
quibbles about who got kiosks because many of the
historical traders didn’t get one. There is still a major
uproar, but we don’t have money to take on lawyers
against PRASA. You see the lack of security of tenure
is a major problem. The informal traders don’t have
secure tenure like the corporate sector.
What happened to the traders that were not re-accommodated?
You see on the station there were also leases, and the associations negotiated their membership numbers with PRASA, but there were also many illegal traders. I suppose I shouldn’t call them illegal, because they were traders and they needed to earn a living. Weather they are legal or not legal, nobody is going to work if they don’t have to work.

Was there more scope for casual trading before the upgrade so that startups could get a foothold in the market?
The historical market developed over thirty years. You wouldn’t give up your spot if you had one, so unless more space was created it was a bit difficult to accommodate casual traders. Yet some traders only traded for one or two days a week, which meant that there was some room for casual traders as well. The traders on the bridge were always chased, and they had to run with their goods when the cops came.
Could you explain the Cape Town Partnership's role in managing informal trade in the central city.

The Cape Town Partnership operates on two levels, first of all they are involved in strategic planning issues, and help to come up with new development ideas for the future of Cape Town and secondly then it has an operational wing called the Central City Improvement District. We are the voice of the City to the retail and residential community here, and likewise we are the voice from them to the City. We compliment and supplement their services also. We were designed to be a top-up to the primary providers. We have very good relationships with the City.

We are broken down into four tiers; the foundation of the whole setup is 'crime and grime', but we also have a social development, and a marketing division. When it comes to the security division, you must remember safety and security does not only entail combatting criminals with guns and knives. It is also about creating a livable environment for everybody. That means policing across a spectrum of by-laws. There is a by-law pertaining to informal trade and we just got the list from the Department of Economic and Human Development, that deals with the allocation of bays and stuff. If for example the City issues a new informal trading by-law, we will distribute and disseminate that to everybody in the city to make sure that they get it. We also negotiate with the traders associations, like the one on Greenmarket Square. We assist them with any problems.

You must remember there has to be order. There cannot be chaos. You know the traders would say things like: “Why don’t you go and catch that murderer over there and leave me alone with my stall, I am only trying to make a living.” But it is not as simple as that. The informal traders are also infringing on other peoples rights if they are breaking the law. I can’t be selective about which laws I must uphold and which I should turn a blind eye to. Imagine if everybody just decided that they wanted to become an informal trader, and put up a stalls anywhere. It will just be chaos. So we have also taken on that responsibility and we form a lot of partnerships with everybody. Partnerships with the informal traders associations, with the law-enforcement officials who are duty-bound to police the traders, as well as the property owners. For example the station is managed by Intersite which is a private company. Some areas are not managed on a permit basis but rather via lease agreements. Cape Town is a restricted trading area, so you can’t just trade freely. You can only trade in a yellow demarcated bay with a city council permit. So when we arrived on the scene there was chaos. People were doing what they want to, making bigger stalls then what was allowed and this was affecting other businesses. You must remember that an informal trader pays a monthly fee of about R125 per month to have his bay, but he could be blocking the entrance to a shop that pays R30 000 per month. And on top of that they may sell the same commodity. So there was a big overhaul in terms of the conditions of trading. The by-laws were changed and we have also been giving some input into that. So we get involved in policy-making, monitoring, issuing and cancellation of bays, enforcing regulations, and the creation of new bays. We also identify opportunities for trading, alert the relevant departments, give them endorsements, and we also get the property owner’s buy in. We are not just for big retail, we are an inclusive city so the informal trader is also important to us. They know us by our names on the street. We have our own law enforcement team, dedicated to the CCID. So if somebody steps out of line, I have got my team at my disposal to be able to enforce the law.

How many people do you have on your law enforcement squad?

We have eight officers from the City of Cape Town's law enforcement side, but on my security team we have over 250 security officers throughout the City.
They work on rotational shifts of 80 people. They act as spotters, if they see somebody committing a crime they will say: “My friend, you are not trading on your allocated bay.” If the guy doesn’t listen then he will call law enforcement. So we start off with a soft approach, before we go hard. If that guy continuously doesn’t listen, we take down his details, permit number, and we pass it on to the permit issuing department. They can then issue a written warning. If he continues to contravene the conditions of his permit it can be revoked. So there are systems in place to deal with informal traders.

What are the major issues that you face on a daily basis?
Overtrading. We are lucky because we have a monitoring and evaluation system in place, so if there is a new trader on the street we know it immediately. The guys don’t even take a chance to illegally trade in the City because they know we are around. For example, we only allow traders who sell newspapers and magazines at traffic intersections as per the consent that was given by the City. You won’t find the guy that sells black bags, or paintings, because we regulate trading. So overtrading is the main problem. A guy has a 2 by 2m stall but keeps extending and extending until eventually he is blocking up a window or an entrance to a formal shop. If you go to Bellville you will find many other problems such as illegal trading, aggressive trading, and drug dealers. We are fortunate to not have those elements in the central city.

Do you get involved with informal trading at the station specifically?
I did get involved, when it was very bad. We had a station steering committee and I played an advisory role there. I also gave support when we were doing operations. In other words, when we did a major trading operation, I would get some of my officers to assist in the regulation of the station deck. But technically the station is not part of the CCID, so we only give advisory support.

The Parade is different, because it is a council leased area. I just put a new security trailer on the parade. So now there is a dedicated security officer on the Parade, 24 hours a day. I have five trailers at different places in the CBD. Many of the problems on the Parade are caused by the traders themselves. They need to rectify certain things so that they can get things done. For example the traders employ vagrants to push their trolleys, but when the vagrants hang around, get drunk and urinate, they complain to us. They need to put something in place to prevent it from happening. We need to be able to identify who is who. We don’t know who are trolley pushers and who are just hanging around. The guys who are pushing the trolleys need to be regulated more carefully and be told at what times they are allowed to be on the Parade. They should also be given bibs to show that they are trolley pushers. So that whoever doesn’t have a bib and is creating problems can be removed. When the City took a harsh stance and removed all those traders on the deck (because there was a lot of criminal activity over there), they had nowhere to go so they came to the Parade. The Parade hadn’t been getting as much attention as the station in terms of law-enforcement so I had to become more involved. I have four officers there everyday.

But it is a public space, so technically no-one is illegal?
Yes, but you must remember there are other issues. There is a nuisance by-law. If an area has a high crime rate and people are causing trouble then they can be requested to leave the area. Obviously the guy must be committing an offence before I will remove him. But we need to know who are the people who are working and those who are not working.

How many new bays are being added in the City?
It’s difficult, because once the space gets saturated
you can’t add any more trading bays. It is also difficult in the sense that there is redevelopment all the time. It’s pointless just creating bays for the sake of creating bays.

**What happens to illegal traders?**
We remove him. We don’t like to confiscate his goods, because we know the guy is just trying to make a living. We tell him to pack up, and he gets a fine, but if he continues to come back, you can confiscate his goods without giving him a warning. We don’t like the harsh approach. The fines are normally between R100 and R300.

**Are the illegal traders often foreign nationals?**
The foreigners are probably legal in the country. Outside of the city it is mainly the foreigners at the traffic lights, and Somalians who put up shops.

**How do you deal with counterfeit goods?**
We have done quite a few operations. You must remember that the CCID is not an elite squad. We are just a visible crime fighting unit. A security officer with one month’s worth of training cannot necessarily identify counterfeit goods. That is a more specialised service. I don’t want to confiscate the wrong stuff. The counterfeit unit of the South African Police Force, and the South African Revenue Service are the right people to do this.

**How long has the Cape Town Partnership been involved?**
We have been involved for eight years, and that is why you will see our city is beautiful when it comes to informal trading. We do weekly operations on an area that we predetermine, targeting informal trading. The latest operation was done a few days ago. Just by us doing regular checks people comply, and this is what we want, a nation of law-abiding citizens. You can see here on this photograph--the guy is perfectly within his lines, there another. Normally these guys are always overtrading and these bags are blocking the pedestrian movement routes. This was an illegal trader. He just came to a club one night and set up a stall. Look at this. No regulation, no nothing. Where is his grease mat? Where is his fire extinguisher? What if the thing caught alight now? How will he put out the fire? Where is his certificate of acceptability for health? So it’s not just, “Ag shame, he is making a living.” What if the stuff is contaminated and he is selling it to 100 people? We will have an epidemic on our hands. So there has to be some regulation. That is why there are conditions, and the traders have to stick to those conditions.

I think Adderley Street, just with overtrading. The trading causes congestion on the pavement. When you park your car you can’t walk onto the pavement. Now it might sound trivial but imagine you park your car and you can’t get out onto the pavement. It’s not nice. But we manage it on a daily basis, we don’t even leave it for a week!

**Has the crime been reduced in the central city since you have been around?**
For sure! Every year we are reducing crime. The station commissioner just announced a 19% reduction in crime over there. So I am happy.
APPENDIX F

Example of Structured Interview Questionnaire

Number:
Location:
Type of stand:
Size:

1. How long have you been trading here?
2. Who are your customers?
3. Where do you store your goods?
4. Where do you get your stock?
5. How many items do you sell per day? Profit?
6. Where do you live?
7. Where do you come from?
8. How long have you been in Cape Town (if not local)
9. Do you work alone? How many people on your team?
10. How did you get your stand? How much do you pay for your stand?