UNDERSTANDING THE DYNAMICS OF THE INFORMAL ECONOMY: OPEN MARKET SERVICES AND VENDOR CONCERNS IN THE NATIONAL CAPITAL DISTRICT

Elizabeth Kopel
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This publication is the second of three papers to come out of a study on 'Understanding the dynamics of the informal economy: the case of open markets in NCD'. The authors would like to thank Dr Lindsay Kutan, consultant for the study and UPNG students who provided research assistance. Thanks to NCDC market services division, Moresby South market management and supervisors in respective markets for allowing the survey to be conducted and publicising the study to vendors. Thanks are also extended to Jennifer Parina for editorial assistance and the peer reviewer for comments. We are grateful to the Australian DFAT through ABT which provided funding for this study.

Responsibility for views and opinions expressed in this paper rest solely with the authors and does not represent the views of any stakeholder, the PNGNRI or the source of funding.

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Abbreviations & Acronyms

- ATS: Air transport Squadron
- NCD: National Capital District
- NCDC: National Capital District Commission
- UN: United Nations
Abstract

This is the second of three papers based on a study to understand the dynamics of the informal economy examining the case of open markets in the National Capital District. This paper is focused on analysing market facilities and services. The findings show that facilities and services are grossly inadequate or non-existent. Poor or non-availability of market facilities and services, and safety and security issues were identified by vendors as the most significant challenges affecting their economic activities. Vendors sell in areas where they feel safe, close to their residential locations, and where there are potential customers with easy access to transport. We recommend that market-user views need to be taken into account through stakeholder consultations when planning for new or upgrading existing markets.
Ch. 1 Introduction

This paper is the second of three discussion papers, a product of data collected from a survey of open market vendors in the National Capital district (NCD) conducted over five days in December 2016. The study was to provide an understanding of the informal economy through a survey of open markets in Port Moresby. It covered both men and women sellers in planned and unplanned markets. Designated markets have been established and recognised by the municipal authority, the National Capital District Commission (NCDC). Undesignated markets are unplanned and spontaneous.

The paper is focused on the provision of services in open markets and vendor concerns in Port Moresby. It is divided into five sections: Section 1 is the Introduction, Section 2 discusses the literature on open markets, Section 3 briefly outlines the methods used in the study, followed by the presentation of market profiles in Section 4. Section 5 presents and discusses the findings of the study, and Section 6 ends with the conclusion and recommendations.
The National Policy for the Informal Economy Policy (IS PNG, 2011) commits the state to provide an enabling environment to facilitate the establishment and growth of informal economic activities. This enabling function can be realised through the planning and provision of prioritised public goods and services. Urban markets and related service provisions fall under the banner of public goods and services. It covers tangible open market infrastructure and utility services, as well as non-tangible services such as ensuring safety in market places. The state of open markets in the nation’s capital, Port Moresby, has been subject to criticism on several accounts due to lack of provision of, and deteriorating state of infrastructure, services and poor management (Bonney et al., 2012).

Research on open markets in PNG date back to Epstein’s study (1982) of women market traders in Rabaul and other towns around the country. Market selling back then was not a full-time economic activity. Today, it has now become a full-time activity with extremely long hours of work equivalent to that of a salaried day job (Kopel et al., 2017). Open markets feed most of the urban populations and support the livelihoods of many middle- and low-income households (FPDA, 2009).

There are limited studies with a direct focus on open markets in NCD. For example, Umezaki & Ohtsuka (2003) examined the adaptive strategies of migrants in Port Moresby, with results that show that households depend on a variety of informal activities, as well as formal sector jobs, for their livelihood. Bonney, Wörinu, & Muscat (2012) conducted a feasibility study on the potential of establishing a wholesale market facility in Port Moresby.

Wang’s study (2014) was focused on women market traders in NCD. Rooney’s study (2015) at the Air Transport Squadron (ATS) settlement shows that women who cannot leave home set up stalls in front of their homes and sell. Further, an impact assessment of the Mount Hagen Market Re-development Project has demonstrated that improved development and effective management of markets can bring about numerous benefits to not just market traders, but also to areas well beyond the province (Chang & Mullen, 2013). The Mount Hagen Market Re-development Project can serve as a good example for NCDC. Re-developed markets at Port Moresby’s southern areas, Koki and Sabama, can also provide good case studies as they are already in operation.

The United Nations (UN) Women’s Safe Cities Project initiated a study on making Port Moresby safe for women of all ages in public spaces, specifically in markets (2012). Findings from that study provided a platform for on-going interventions for NCDC as they work on Port Moresby’s open markets. UN Women has been working in partnership with the NCDC Gender Desk on several projects to improve safety for women market vendors. Projects include re-developing the Gerehu market, and working with market vendors to form associations at Gordons, Gerehu and Koki markets. Craig & Porter (2017) outline the importance of recognising both formal and informal institutions and their capabilities when promoting safety and economic vitality in Port Moresby’s markets.

The next section outlines the methods of the study.
Two methodologies were employed for this study:

1. A market vendor survey of both planned and spontaneous markets: The survey data was gathered using a questionnaire instrument administered on a face-to-face setting at selected markets; and

2. An observation of the dynamics of the sampled markets: Observations of market dynamics were recorded using a pre-defined instrument for an hour at three intervals (9–10.00am, 12–1.00pm and 4–5.00pm) over five days. The observation provided rich qualitative data.

NCD markets were stratified into two groups: planned and unplanned. Five out of 10 operating planned markets were randomly selected for inclusion. Although there are numerous unplanned markets, only 11 of the biggest ones were used as the sampling frame from which five were randomly selected. Refer to Figure 1 for sampled markets. The sample selection process was initially analysed using the Rand function in Microsoft Excel in which all the markets were coded and randomly selected.

Figure 1: Sampled planned and unplanned markets

<table>
<thead>
<tr>
<th>Responsible organisation</th>
<th>Suburb</th>
<th>Planned Markets</th>
<th>Unplanned Markets</th>
</tr>
</thead>
<tbody>
<tr>
<td>NCDC</td>
<td>Gerehu</td>
<td>Waigani</td>
<td>Renbo</td>
</tr>
<tr>
<td></td>
<td>Waigani/UPNG</td>
<td>Hohola</td>
<td>Goroka</td>
</tr>
<tr>
<td></td>
<td>Tokarara/Hohola</td>
<td>Gordons</td>
<td>Erima bridge</td>
</tr>
<tr>
<td></td>
<td>Gordons/Saraga</td>
<td>Manu</td>
<td>5 Mile</td>
</tr>
<tr>
<td></td>
<td>Koroboasea/Boroko</td>
<td></td>
<td>East boroko</td>
</tr>
<tr>
<td></td>
<td>Laloki/Napanapa</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bomana</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Moresby South</td>
<td>Town/Hanuabada</td>
<td></td>
<td>Koki</td>
</tr>
<tr>
<td></td>
<td>Kilakila/Kaugere</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>6 Mile</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Within the selected markets, vendors were also randomly selected. To ensure that the sample was a good representation of the total population, 10 percent of vendors were covered in the five planned markets, and 20 percent of vendors were included in the five unplanned markets. A random selection process using a computer-generated list of numbers through Microsoft Excel was used to identify and select respondents. A reserve list was also generated in this process for possible replacement purposes. More details on the data collection methods used for this research can be found in the first discussion paper on this study titled, *Understanding gender dynamics in the informal economy: The case of open markets in NCD*.

The next section provides a brief profile of the markets.
This section provides a profile of markets covered in the study. It covers both planned and unplanned markets.

**Unplanned markets**

Unplanned markets as stated earlier are spontaneous and not recognised nor approved by the municipal authority, the National Capital District Commission (NCDC). In line with its existing functions, NCDC has the authority to formalise spontaneous markets and or develop and establish them as planned markets. Unplanned markets start out initially with one or two people setting up stalls and selling on land that belongs to either the state, under private ownership or customary ownership. Over time, more vendors join in and eventually the area becomes a permanent market.

Regardless of the years of existence, unplanned markets are not recognised by authorities. Due to the precarious nature of existence of these markets, utility services and amenities are not provided. Vendors are either responsible for cleaning, or for paying members of the surrounding community for cleaning, storage and access to water and toilet facilities. In the absence of nearby residential areas and facilities as in the case of the Goroka market near the Waigani offices, the nearby grassland provides relief spots for vendors. Other vendors not used to the set-up have to hold back on this basic need until they return home.

Among the unplanned markets, three are recognised to some extent by NCDC. These ‘recognised’ markets include Erima Bridge, 5 Mile, and East Boroko. Erima Bridge market is sheltered with a hut, bench space and seats. New benches were recently set up at 5 Mile market. East Boroko market does not have any facilities at all (Refer to Appendix A for a map of markets in Port Moresby).

**Planned markets**

Planned markets have been designed, approved, recognised, and at other times established by the municipal authority, NCDC. The responsibility for all NCD markets was with NCDC until a local member for Moresby South initiated the process of establishing the Moresby South Market Committee, which eventually took over the development and management of markets in the Moresby South electorate. Under current arrangements, all markets in Moresby South come under the responsibility of the Moresby South Market Committee (see Figure 2).
Figure 2: Open markets in NCD

<table>
<thead>
<tr>
<th>Responsible organisation</th>
<th>Suburb</th>
<th>Planned</th>
<th>Unplanned</th>
</tr>
</thead>
<tbody>
<tr>
<td>NCDC</td>
<td>Gerehu</td>
<td>Gerehu</td>
<td>Sanap, TwoFour</td>
</tr>
<tr>
<td></td>
<td>Waigani</td>
<td>Waigani</td>
<td>Renbo, Goroka</td>
</tr>
<tr>
<td></td>
<td>Tokarara/Hohola</td>
<td>Tokarara*</td>
<td>Erima bridge, 5 Mile</td>
</tr>
<tr>
<td></td>
<td>Gordons/Saraga</td>
<td>Hohola</td>
<td>Garden Hill, East Boroko</td>
</tr>
<tr>
<td></td>
<td>Korobosea/Boroko</td>
<td>Gordons</td>
<td>9 Mile</td>
</tr>
<tr>
<td></td>
<td>Laloki/Napanapa</td>
<td>Manu</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bomana</td>
<td>Boroko**</td>
<td>9 Mile*</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Moresby South</td>
<td>Town/Hanuabada</td>
<td>Koki</td>
<td>Hanuabada</td>
</tr>
<tr>
<td></td>
<td>Kilakila/Kaugere</td>
<td>Ranuguri**</td>
<td>6 Mile</td>
</tr>
<tr>
<td></td>
<td>6 Mile</td>
<td>Sabama</td>
<td>6 Mile**</td>
</tr>
</tbody>
</table>

Legend: *Markets affected by road works at the time of data collection, **Markets closed/not in operation at the time of data collection.

Moresby South managed markets

The Moresby South Market Committee was set up under the leadership of an open member for the Moresby South electorate. He is the chairman of the board and all seven market managers are on the board. The market managers provide monthly reports to the management board. Markets in the electorate have been redeveloped in the last five years. For instance, the redevelopment of Koki and Sabama markets have completely transformed these areas into safe and pleasant market places with utility services for all users, customers and vendors.

**Koki market**

Koki market has complete amenities and is well-serviced. It is fenced and has security services provided, is well sheltered, the floors are either paved or covered with gravel, has
benches for sitting, and tables for customers to lay out their products. There is tap water available at the market with modern toilets. The market also has small kiosks for rent and some are already occupied. Several kiosks sell clothes and cooked food. One offers printing and photocopy services.

Most importantly, one kiosk is occupied by a bank agent which enables vendors to deposit their daily takings before they leave the market. This is convenient for vendors as it minimises the risk of loss to bag snatchers on the way home or the temptation to spend cash. The growing number of vendors setting up stalls along the footpaths already indicates that Koki market will soon become overcrowded.

Vendors pay a fee of K2 per square metre of space occupied. Tickets are issued at the end of the day and reconciled. Fees are usually collected at 4.00pm. If vendors do not earn enough for the day they are allowed to pay the next day. All fees are deposited into the Moresby South Market Management Board account. All vendors have identification cards. There is a PA system and plans are underway for a craft market to be connected to the TVET training office, which is currently housed at the market. Water and electricity are free as the bills are paid by the local member.

**Sabama market**

Sabama market is smaller, compared to Koki market. It is located along the main road at the junction to Pari village in one of the long-established settlements. It has the potential to attract more vendors and customers, but it is currently underutilised. There is a suggestion that if Manu market was closed then more people will start using Sabama. However, the market is surrounded by a settlement area so people from outside the locality who do not feel safe avoid using Sabama market. Also, vendors take the commodities to where the customers are and that is, to other markets with a large customer base.

**Ranuguri market**

The new Ranuguri market at Konedobu remains closed after operating for a few months. The Koki market manager informed the research team for this study that the market was closed because it does not have any water connection (Kailao, 2017). The Ranuguri market is located opposite the police headquarters at Konedobu by the underpass where the Kaevaga road intersects the Spring Garden road. It is a well-paved, securely fenced and sheltered little market with concrete benches. However, it is set in an awkward location that is not easy access either on foot or by public transport, and is far from the populated residential area.

**6Mile market**

At the time of data collection, the new 6 Mile market was not yet open. With the closure of Gordons market in October 2017, Boroko and 6 Mile markets were opened and vendors at the Gordons market were given the option to move to either of the two markets. The 6 Mile market was built on regenerated land that was previously a dump site and is located on the edge of the residential and industrial area.

Currently there is no bus stop next to the market. It takes about 10 minutes to walk from the existing unplanned market located at the 6 Mile/airport and Magi Highway junction to the 6 Mile market. Findings of the first discussion paper on this study indicate that vendors sell in markets where there are potential buyers and also where they feel safe and close to home (Kopel at al., 2017a). Therefore, the new market needs to have improved security and management services, adequate parking spaces, and easy access to bus routes. Further, provision of a pedestrian-friendly footpath with adequate street lighting from the existing
unplanned market to the new market would encourage the public to walk the distance (see Appendix A for a map of Six Mile market in relation to where the residential areas are located in the suburb).

**Community-managed markets**

Waigani market was managed by the community until the end of 2016 when NCDC took over the responsibility. With community-managed markets like Waigani, NCDC was responsible for the provision of waste collection while daily operations rested with the community. Fees collected from vendors were not handed over to NCDC but used to pay security guards.

With community-managed markets, there is no real consistency in who manages the markets. For example, at Tokarara market, some people say that they pay the money to a man who acts like a caretaker while others say they pay money, but the man does not clean the market. Craig & Porter (2017: v) provides further insights on Tokarara market in their World Bank report and reiterate that neighbourhood markets are important for ‘the economic vitality, safety and social life of urban settlements’.

**NCDC-managed markets**

NCDC has the overall mandate to plan, establish, and manage open markets in NCD. Four out of the eight planned markets under NCDC’s responsibility were included in the sample: Waigani, Hohola, Gordons and Manu (see Figure 2). The level of service provision in these markets is inadequate and deteriorating.

**Manu market**

This market is recognised by NCDC however the Commission does not provide any other service apart from the provision of a skip bin and the collection of garbage. There are no facilities and amenities at this market. Vendors pay nearby residents for access to water and toilet facilities. This lack of service is a serious issue as findings from the first discussion paper based on this study indicate that 70 percent of vendors work more than eight hours a day for 5–6 days a week (Kopel et al., 2017).

Those who sell goods either in front of a residential home or store unsold commodities within a residential boundary also pay for this service. NCDC Market Operations Office stated that NCDC does not collect any fees from vendors at Manu market. However, vendors pay a K2 market fee to a self-appointed market committee per day for selling on public space.

A vendor from the Central Province said she was not sure who the members of the committee were and why she paid K2 to the fee collector. Vendors who have table markets in front or on driveways of private residences pay fees to either resident owners or owner-appointed collectors. Another vendor stated she paid K2 per day to a Tolai lady whose house-front she used to sell goods. Vendors pay between K2 to K3 for the use of toilets belonging to various residents. They also pay around K2 for a bucket of water. Storage fees range between K5 to K15 depending on the size of market goods.

**Hohola market**

Hohola market has security personnel and a toilet. Vendors pay for water by the bucket. Besides the fencing around the road, there is no shelter, paving or seats, and vendors sit in the open exposed to the sun and dust. Vendors pay a fee of K2 per day. There is some confusion as to whether the fee is being paid to NCDC. In addition, there is a fee of
between K1 to K2 for security. Other fees include a K2 fee to use the toilet, K2 for a bucket of water, and K2 to use the shower.

**Waigani market**

This market is one of the few better-serviced markets in the city. It is fenced, sheltered with sitting and product display benches. There are toilets and water available next to the market. It is often crowded with vendors selling their products as they sit along the paved footpaths.

As Waigani market is now managed by NCDC, the K2 fee paid by vendors goes to NCDC. In addition, it costs K2 to use the toilet and K4 to have a shower. Use of water is free. Vendors also pay K2 to the market security personnel to look after their products overnight. Although NCDC has a contractor to clean the market, vendors also pay between K1 to K3 to young men or market boys to help remove rubbish as vendors are expected to clean their own areas.

**Gordons market**

Gordons market is known for wholesale and retail selling of fresh produce grown in NCD and Central Province, including other parts of PNG. It is the biggest and busiest market in NCD, however, it has its fair share of problems as well. Violence is endemic at Gordons either between members of the public, police and the public, police and vendors, or among vendors themselves. Loss of commodities and earnings are common when there is a conflict between different groups in the market.

The market is securely fenced, sheltered, and has seating and display benches. However, the number of vendors far exceeds the space and so vendors end up selling along walkways, by the toilets, and fences. The market has electricity, but it is not accessible to vendors. Water is available, and there is only one toilet block. The other has been removed. Continuous leakage of water in the ablution block and cleanliness of the existing toilet are constant issues. Blockage of the drainage system has led to flooding of the market in the wet season. Inconsistent removal of garbage is unhygienic and breeds flies and mice. NCDC has market security personnel and gate fee collectors posted on site. Vendors have pointed out that safety within the market is not an issue. It is the threats outside that often cause problems for the vendors and buyers.

Fees are defined according to the type and the quantity of food sold. For example, watermelon is charged at K4 per bag, and banana is charged at K2 per bag. This fee is paid at the gate. Sometimes the fee collectors do not provide receipts and so they try to make the vendors pay a second time. Products such as oil and sago are charged at K2 and the fee is taken at the table or stall.

Water costs K1 per bucket. There is a fee of K1 to use the toilet and K2 to use the shower. A fee of K4 is charged for storage. Vendors clean their own rubbish. A market clerk from NCD collects market fees and there exists a market committee.
Table 1: Service provision and facilities in sampled markets

<table>
<thead>
<tr>
<th>Market Services</th>
<th>Planned / Recognised</th>
<th>Unplanned / Spontaneous</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Gordons</td>
<td>Waigani</td>
</tr>
<tr>
<td>Fencing</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Security</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Shelter</td>
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<td>Yes</td>
</tr>
<tr>
<td>Tables</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Water</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Waste Collection</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Toilets</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Electricity</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Security</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Management/Organisation</td>
<td>NCDC</td>
<td>NCDC</td>
</tr>
<tr>
<td>Vendors pay fees</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Comments:

- √ Sufficient and deteriorating utility services
- √ Basic services available not sufficient and deteriorating
- √ New Services/ amenities
- √ No services
- √ No Services
- √ No Services
- √ No Services
- √ No Services
- √ No Services

- √ Bare basic services
- √ New Services/ amenities
- √ No services
- √ No Services
- √ No Services
- √ No Services
- √ No Services
- √ No Services

- √ Pay fees
- √ Pay fees
- √ Pay fees
- √ Pay fees
- √ Pay fees
- √ Pay fees
- √ Pay fees

Four matters stand out from the above discussion:

1. Most planned markets lack adequate facilities and services.
2. Some recognised markets do not have any facilities and services. Market users are left vulnerable and exposed to dust, danger, and criminals. An example is Manu market.
3. Only three markets in the city have adequate and working amenities and services. These include the redeveloped Moresby South markets at Sabama and Koki, and the UN Women-supported Gerehu market, managed by NCDC.
4. Unplanned markets do not have any facilities and services.
The following analyses and discussion are centred on three areas of concern that rank as the most important for vendors on why they sell in specific market locations.

**Market location versus location of residence**

Most vendors do not reside in suburban residential estates but live in urban settlements. Nearly 60 percent of respondents live in semi-permanent or makeshift housing. The majority of the vendors sell their goods in markets near to where they reside. Vendors sell in markets where they have easy access, for example, within walking distance or where the bus route is directly connected to the market. This group includes vendors who commute from the villages in Central Province.

**Reasons for choice of market location**

The following are three important reasons why vendors choose to sell in a certain location (see Figure 3):

1. Market is close to home;
2. Vendors feel safe in the market/area; and
3. Market/area has potential customers.

Most vendors, 38 percent \((n = 77)\) stated that their choice of market is close to where they live. They are reluctant to travel to markets in other suburbs. Another 29 percent \((n = 59)\) choose to sell in markets or neighbourhoods where they feel safe. For example, the map in Appendix B shows the residential areas close to Renbo’s unplanned market.

Further, there is competition between vendors over market space, often confrontational, intimidating, and can lead to arguments and fights between them (Bonney et al., 2012). Most vendors who sell full-time in the planned markets are retailers, and they make it hard for new vendors to secure a space to sell. This was apparent at Manu market with vendors forced to sell in appalling conditions. When asked why they don’t sell at Sabama or Koki markets which is only five minutes down the hill with modern amenities, the vendors said that regular vendors from those markets do not allow new vendors to set up stalls. ‘Ol bai kapsitim kaikai blo mipela na rausim mipela’, (They would pour out our food and throw us out) said one vendor. Some vendors are forced to operate in markets such as Manu for fear of being harassed and chased out by vendors in other markets.
Direct connection to different bus routes and the location of bus stops close to a market are important considerations for vendors. It is important that markets are well-connected to the public transport system for convenience and easy access. For example, Central Province vendors from Sogeri villages, 14 Mile, 9 Mile, 8 Mile and along the Hiritano Highway use the Gordons market. Morata sellers use the Waigani market, while the Koki market is largely used by villagers living along the Magi Highway and Moresby South electorate.

The third major reason for location choice is whether the market has a large potential customer base. Customers who depend on public transport will not go to a market that is far from the main bus stops. Therefore, the vendors’ quick solution is to take the market to the customers. This customer-oriented solution explains why spontaneous markets spring up close to residential areas and high traffic and commuter centres where more people pass through or congregate. There is need to engage with key stakeholders in planning and providing utilities and services for the city’s open markets. Markets should be located close to residential suburbs where everyone can have easy access. When accessibility is not considered, just like in the case of Ranuguri, the market will not be fully utilised no matter how good the facilities are.

The unplanned market at Renbo is a good example of a market location that is conveniently accessible. It is located next to the Stop N Shop supermarket by the main bus stop and is easily accessible by those who reside within the Renbo Estate and the surrounding areas. The location is convenient for them to stop by and do their store and market shopping on the way home (see map of Renbo Estate and the nearby residential areas in Appendix B).

**Vendor concerns and challenges**

Vendors identified a combination of issues and challenges facing entrepreneurs who operate in the markets (see Figure 4). Leaving aside other challenges, in the area of planning and provision of market utilities and services, three main challenges are dominant:

1. Lack of provision for quality market facilities and services;
2. Public safety and security issues; and,
3. Harassment by state agencies and other informal traders.
The lack of provision for market facilities and services, and the extremely poor state of maintenance to available services, was singled out by respondents, 42 percent (n = 86) as the most important issue affecting vendors. Excluding the recently redeveloped Moresby South markets, most markets in the city are not serviced. Even those markets with existing amenities and facilities are in a poor state. The first discussion paper from this study showed that market selling is a full-time activity undertaken five to six days a week for six to eight hours a day (Kopel et al., 2017a). Markets have become a workplace for vendors who are responsible for feeding the city’s population. Yet, the vendors operate in such derelict conditions under extreme heat out in the open without water and toilets.

Public safety and security was identified as the second important issue by the respondents, 37 percent (n = 75). When fights and arguments occur in the markets, opportunists take advantage and loot money and goods from vendors. In addition, petty criminals snatch money and bags off vendors and buyers. These cases are more prevalent in Gordons market, one of the busiest in Port Moresby. This partly explains why vendors, the majority of whom are women, prefer to sell close to their homes. This also supports Rooney’s (2015) study of the ATS settlement, which showed that women who cannot leave home for various reasons set up stalls outside their homes. Selling closer to home reduces safety and security risks for vendors.

The third major issue relates to harassment. Harassment comes from two sources:

1. State agencies: Vendors are constantly harassed by either the police or NCDC’s city rangers. Many times, state agencies overstep their boundaries of responsibility and abuse their powers by destroying and confiscating vendors’ goods. Those operating outside Gordons market are common victims of police harassment through affliction of physical injury, and destruction and loss of goods and money.

2. Other market vendors: Arguments between vendors occur for two reasons. First, some markets are crowded and vendors compete to secure a spot in the market place. Those who are assertive enough tend to take over the central spots, pushing the rest to the periphery or to unplanned markets. Second, regular vendors selling in most of these markets are often referred to as ‘black market’ people who buy in bulk from producers, wholesalers and/or middle traders. They then resell these products in smaller quantities. These vendors operate full-time, are quite vocal, and do not allow any new vendors to sell in many of the markets. For instance, at Waigani and Gordons markets, retailers occupy most of the bench spaces while produce sellers are relegated to the periphery.
selling along the footpaths. This practice by the retail vendors prevents freedom of choice, and hinders full participation of produce sellers and new vendors from entering and selling in specific markets.

Harassment by state agencies and other vendors is the biggest concern, among all other concerns, raised by vendors. Harassment is a serious issue that must be addressed immediately. Vendors’ finance-related concerns are also big issues and will be the subject of the next discussion paper.

**Vendor’s suggestions for the improvement and expansion of informal market activities**

As shown in Figure 5, the majority of the vendors suggest a combination of interventions that should be considered by the state through NCDC.

**Figure 5: Vendors’ suggestions for state intervention to improve open markets (Multiple response, n = 205)**

Vendors were asked to offer suggestions for state intervention which can enable vendors to expand income-generating activities. The respondents’ suggestions include:

- Improve market services;
- improve public safety;
- improve market infrastructure;
- improve the management of markets; and
- formalise unplanned markets.

The need to improve market services is the most common suggestion made by 46 percent (n = 95) of respondents. Basic utilities such as water, toilets, electricity, drainage, and waste collection systems are either missing or inadequately provided in most markets, except for the newly renovated Moresby South markets. Entrepreneurs spend long hours in these markets nearly every day of the week therefore the need for provision of improved market services.

Improvement of public safety is the second most common suggestion made by 39 percent of the vendors (n = 80). There are two ways the issue of safety can be addressed. First, because safety issues for vendors stem from members of the public, measures need to be taken to curb petty criminal activities so that market places are safe for all. One such initiative undertaken at Gordon market is that young men who were responsible for pickpocketing were organised to form a group to undergo training after which they would then be employed in the formal and informal sectors of the economy. This work is coordinated
by NCDC and jointly sponsored by the donor community. Second, safety concerns emerge from abuse by state agencies who are supposed to uphold laws of the land. There are extraordinarily high levels of force exerted by the state agencies on vendors either in response to them selling in undesignated markets or following violence in markets. Vendors become subject to physical and verbal abuse and loose huge amounts of cash, goods and equipment at the hands of the police and NCDC’s security personnel. There needs to be a complete change in the prevailing culture of policing and law enforcement. State agencies should be held accountable for their actions. Markets must be a safe place for everyone.

The third major suggestion offered by 38.5 percent (n = 79) of the respondents is to improve market infrastructure. Improvements must be made on fencing, shelter areas, seats, paved and gravel floorings, and tables for display of commodities. Other areas for improvement include parking spaces, loading bays, and systems for cleaning and collecting waste.

The need for better management of markets is the fourth major suggestion made by 28.7 percent (n = 59) of the respondents. Better market management can facilitate improved maintenance of services and infrastructure, as well as peaceful and orderly operations of market activities.

The fifth suggestion made by 23 percent (n = 47) of respondents is for NCDC to formalise unplanned markets. This suggestion was made due to the increased need to expand markets, given that the existing markets have been established prior to the 1980s when NCID’s population was a lot smaller. Currently, with the increasing population, setting up new markets close to residential suburbs is important to make every visit convenient for all market goers. This need can be addressed by formalising existing unplanned markets and providing adequate amenities for these set-ups. The market improvement initiative taken by the Moresby South Market Management Committee provides a good lesson for NCDC.
Provision of adequately serviced open market facilities and services are essential to facilitate and enable the operation of informal economic activities. Findings of this study show that facilities and services in NCDC markets are inadequate, deteriorating, or non-existent. Service provision in Gordons and Waigani, two of the planned markets under NCDC management, are inadequate and deteriorating. Services in Hohola and Manu markets are non-existent. Unplanned markets do not have any infrastructure facilities, services, or security.

Exceptions are the markets operated by the Moresby South Market Management Committee. The redeveloped market at Koki shows that it is adequately serviced with tap water, toilets, baby change areas, and additional amenities like shops and a banking service within the market premises. The good operation of these facilities and services translate to a healthier and safer marketplace for both vendors and buyers.

Three of the most important considerations for vendors’ choice of market location are the following:

1. Proximity to own home.
2. Safety and security.
3. A potential customer base.

Vendors prefer to sell in a market that is located close to their residential location where they feel safe and where there is a large potential customer base. Issues of vendor harassment by state agencies need to be seriously addressed at appropriate avenues. Proactive measures also need to be taken to minimise actual and potential conflict arising among vendors, or between vendors and the public. Most vendors rely on public transport and prefer to sell in markets that are easily accessible. The need for accessible public transportation is an important consideration for planners and market service providers when planning new or upgrading existing markets.

It is essential that market users, as key stakeholders are included in consultations and their views taken into account in planning for new or upgrading existing markets. In the absence of adequate planning and provision of market areas, vendors go to places that have high people traffic; that is, areas near transport routes, bus stops, shops, and residential areas. Planned markets must be provided with adequate services fit for workplaces. Redeveloped markets at Koki and Sabama are good examples to learn from. Unplanned markets should be recognised and provided with appropriate services, or relocated to suitable locations.
References


Appendix

Appendix A: Location of 6 Mile market in relation to nearby concentration of residential areas

Appendix B: Location of Renbo unplanned market in relation to nearby concentration of residential areas