

## **“A Study on Effects of Corona Virus Disease on Employment in India”**

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### **Abstract:**

At present time world is facing from the corona virus disease known as Covid-19. The World Health Organization (WHO) has declared that the new corona virus outbreak is a public health emergency of international concern, officials announced on Thursday, 30<sup>th</sup> January 2020. The first case of the corona virus was reported in the December, 2019 in the Wuhan city of China which is known as the major transportation hub of China. After the spread of Covid-19 many countries as well as India also shut down sea ports, airports and banned the import and export activities. India is the developing country due to the Covid-19 spread the cases reported in the India government has lockdown the whole country and majorly it affects the whole economy and employment in country. In the present paper we empirically examine the impact of Covid-19 on Indian employment sector. The paper covers little study about Covid-19. To study the above-mentioned objectives secondary data have been used and it has been found that it will be worst affected on workers and who may not get back their employment or livelihood status for a longer period in the near future and are going to be trapped in deeper poverty. The corona virus occurred in overall world which has adverse effect on Indian economy and employment. It May take a long time for the economy to recover from this shock even after the lockdown. It is expected that this study will helpful the researchers to develop the conceptual models to overcome from this issue.

**Key words:** Covid-19 Pandemic, Indian Employment, Economic Development, Social and Economic Sectors, Post COVID-19 Recovery.

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### **❖ Introduction:**

After the great depression of 1930 in which the global economy has faced the worst recession is now facing the global pandemic of corona virus that has laid the adverse effect on all

the economic activates across the world. The outbreak of the Covid-19 pandemic is a dangerous shock to the Indian economy. The COVID-19 is an infectious disease caused by a newly discovered corona virus. It is a large family of viruses which may cause illness in animals or humans. COVID-19 cases in the country have been rising rapidly. The occurrence of corona virus presents the employment sector with a major significant and evolving challenge. The COVID-19 outbreak has composited the challenges and the economy toward a recession. The lockdown, restriction on visa issuing and travelling, economic meltdown, unemployment and liquidity crunch have a negative impact on Indian economy. Therefore, the present paper aimed to assess the socio-economic impact of Covid-19 on employment and to overview study about covid-19. The outbreak has presented new barrier for the Indian economy, causing disrupting impact on the world of work. With such a crisis in the country, the organizations have gone on a back foot. Due to this pandemic, the Indian economy is going through a major slowdown, which was evident over the recent quarters even before the crisis struck. In the third quarter of the previous financial year (October- December) the economy GDP growth slows to rate of 4.7% and India's GDP slipped to 3.1% in the January- March quarter of 2019-20 showing impact of covid-19 pandemic. This is the lowest growth rate in the last 44 quarters. With all these problems hitting the world of work from multiple directions, companies are finding it difficult to sustain in this environment. The outbreak has presented new roadblocks for the Indian workforce and especially for the daily wage and contractual workers.

#### ❖ **Objectives of the Study:**

The study is aimed to accomplish following objectives:

1. To know overview study about Novel Corona virus disease-2019. (COVID-19)
2. To evaluate the socio-economic impact of COVID-19 on Indian employment.
3. To assess impact of economic crisis on several social and economic sectors.

#### ❖ **Methodology and Significance of the study:**

To study the above mentioned objectives a secondary data have been used. The secondary information collected through internet websites, journals and research papers. COVID-19 has disrupted the economies and the lives of individuals around the world. There are many areas of research needed regarding COVID-19 identifies significant research areas which be deeply impacted by this pandemic. We need to undertake wide research on these areas. With the help of academic research, there is a need for a better understanding of the COVID-19 and its

socio-economic effect on society. The study has interdisciplinary relevance. It relates to many disciplines including geography, sociology, administration, environment studies, public health and tourism.

### ❖ **What is Novel Corona virus disease-2019?**

COVID-19 is an infectious disease caused by a newly discovered corona virus. Corona viruses are a large family of viruses which may cause illness in animals or humans. This new virus and disease were unknown before the outbreak began in Wuhan, China, in December 2019. The corona virus is a family of viruses that can cause a range of illnesses in humans including common cold and more severe forms like SARS and MERS which are life-threatening. Corona virus spreads person to person via droplets through cough or sneeze, close contact with anybody should be avoided. Older people and those with underlying medical problems like cardiovascular disease, diabetes, chronic respiratory disease, and cancer are more likely to develop serious illness.

Corona virus comprises of a large family of viruses that are common in human beings as well animals (camels, cattle, cats, and bats). There are seven different strains of corona virus.

- 229E (alpha corona virus)
- NL63 (alpha corona virus)
- OC43 (beta corona virus)
- HKU1 (beta corona virus)
- MERS-CoV (the beta corona virus that causes Middle East Respiratory Syndrome, or MERS)
- SARS-CoV (the beta corona virus that causes severe acute respiratory syndrome, or SARS)
- SARS-CoV-2 (the novel corona virus that causes corona virus disease 2019, or COVID)

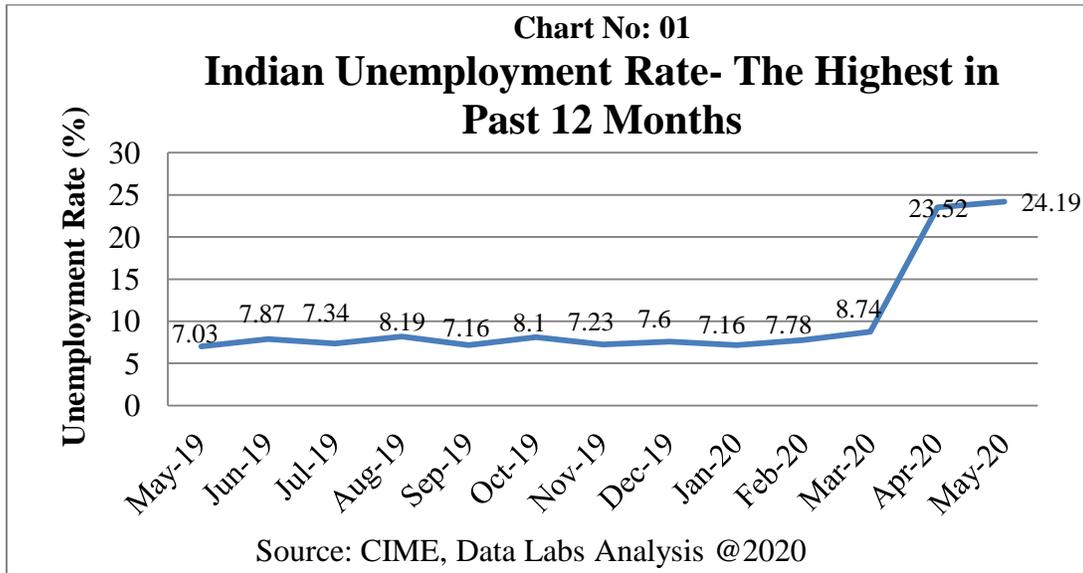
### ❖ **Effect of Covid-19 on Indian Employment:**

The COVID-19 pandemic has a major impact on employment due to the resulting of lockdown. As a result of the pandemic, many countries as well as India regions have imposed lock down, curfew, entry bans, restriction on visa issuing and closing down the international airport and other restrictions for citizens. Due to this there has an adverse impact on the economy and it has a negative economic and social impact on the employment in those regions. The

occurrence of Corona virus COVID-19 presents the tourism sector with a major and evolving challenge. Initially Government of India ordered a nationwide lockdown in India on 24<sup>th</sup> March 2020, after that lockdown in India has been extended to till 8<sup>th</sup> June 2020. The COVID-19 crisis is having a devastating effect on all social and economic sectors. Job losses and salary cuts are likely in the high-risk services sector, including airlines, hotels, malls, multiplexes, restaurants, and retailers, which have seen a sharp, fall in demand due to lockdowns across the country. If the current global and domestic economic slowdown persists, it will impact on total economy. Undoubtedly, with this crisis impacting the business around the country, it will create very challenging situations for the workforce. Companies are not meeting the revenue targets hence, forcing employers to cut down their workforce. The World Travel & Tourism Council has predicted 50 million tourism jobs getting eliminated because of the pandemic. Not only the employees of multinational companies, but daily wage workers have been impacted the most during this crisis. Indian employees are losing their jobs and receiving a salary cut and India's workers are facing an uncertain future and job losses in the worst economic crises. The unemployment rate increased during the lockdown period of April at 23.5% and it continued to be high at 24.19% for the last week of May month. Consequently, these numbers indicate that the current nationwide lockdown has been the biggest job-destroyer ever in the history of the country.

The Centre for Monitoring Indian Economy report shows a significant fall in jobs and simultaneous significant increase in unemployment rate in March 2020. Unemployment rate shot up to 23.5% last month from 8.7% in March. In the ended of May, it jumped to 24.19%, the highest ever. As per the CMIE report pre-corona virus pandemic and the national lockdown, about 40.4 crore Indians were employed. At that point, 3.4 crore were estimated to be unemployed. The CMIE estimated effect that about 12 crore Indians lost employment in the first two weeks of the lockdown itself. Following chart no: 01 shows unemployment in India is at a 12-month high after reaching 24.19% in May 2020 and between March 2020 to April 2020, the all India unemployment rate raised at 14.78 % points. The most affected are daily-wage earners and those with no job security. Another "at risk" group, are those working as house help and personal drivers, as well as the self-employed in the service industry, such as beauticians and tailors. They may be slightly better than the daily wage earners, but may be living on the edge as they may not have savings to survive long. This is a first-time situation happened which adding

that economic activity has never hit a wall like this. The impact of the pandemic will be significant on employment and employment opportunities.



International Labor Organization (ILO) estimated that globally more than 25 million jobs would be threatened due to the spread of corona virus. It is estimated that four out of five people (81%) in the global workforce are currently affected due to this pandemic. This sudden loss of livelihood would be horrible for them. In a series of briefs ILO has captured the impact of the crisis on several social and economic sectors, such as automobile, banking and manufacturing, public emergency services (PES), health services, education, food retail, automotive, tourism, civil aviation, agriculture, maritime shipping and fishing, and the textiles, clothing, leather and footwear (TCLF) industries.

- **The travel and tourism sector** -The corona virus pandemic has marked an impact on India's tourism industry estimating an overall loss of Rs 5 lakh crore and job cuts for 4-5 crore people.
- **Shipping sector**- The impact on employment in the shipping sector, which has two million seafarers, is substantial. The cruise sector, with 250,000 seafarers, has been particularly badly affected, as some countries have advised against travel by cruise ship and major cruise companies have suspended operations.
- **The Automobile Industry**- The automotive industry is also struggling with an abrupt and widespread stoppage in economic activity, as workers are told to stay at home, supply chains

grind to a halt and factories close. In 2017 direct employment in the industry was estimated at nearly 14 million workers, globally.

- **The Textile and Agricultural Sector-** In the textiles, clothing, leather and footwear (TCLF) industries, quarantine measures have suppressed consumer demand. Agriculture and food security has also been badly affected.
- **The Indian Airlines Sector-** The corona virus pandemic is expected to impact more than 29 lakh jobs in the Indian aviation.

❖ **Conclusion:**

The COVID-19 crisis is having a devastating effect on all social and economic sectors. Today, the corona virus occurred in overall world which negatively affect on employment cruelly. Undoubtedly, with this crisis impacting the economy around the country, the workforce of the employment is experiencing some difficult situations. COVID-19 pandemic is a public health emergency of international concern. From the above study researcher would like to conclude that the unemployment rate shot up to 23.5% April month from 8.7% in March. In the ended of May, it jumped to 24.19%, which the highest ever. It will be worst affected on workers who are casual or daily wage workers involved in urban areas, who may not get back their employment or livelihood status for a longer period in the near future and are going to be trapped in deeper poverty. It May take a long time for the economy to recover from this shock even after the lockdown. While the CMIE survey results show that there are huge job losses where the worst affected are the informal workers, who are facing livelihood crisis. Besides, these informal workers, many persons involved in organized sector (unregistered companies) who may be not jobless at present but could find themselves without a job after the lockdown period is over, if many enterprises rejected to take them back. Many self-employed persons like street vendors and other small entrepreneurs may not be left with the capital to restart their businesses and many may not return from their native places. So, the government today has dual challenges to provide immediate assistance to: first, informal workers who have lost their jobs, and second, to those who are already unemployed and are looking for the jobs. Now the government has focused on four immediate goals: Protecting workers in the workplace; supporting enterprises, jobs and incomes; stimulating the economy and employment; and relying on social dialogue based on international labour standards to ensure that countries and sectors recover quickly and better. To a large extent the recovery will depend on the policy responses of the government and

the Reserve Bank of India (RBI) during the crisis period. There is an urgent need to take instant steps to not only to stop the spread of the virus, but also to address the key areas of the jobs affected by covid-19.

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