

Impact Of Covid-19 On Employment Across Sectors

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Abstract: *India is a fast growing economy among the developing nations. All sectors like tourism, real estate, manufacturing, education etc are growing very fast. This development has generated lots of employment for the people. The employment had been generated for both skilled and non-skilled people. The employment scenario has been badly affected by the pandemic called COVID-19, which originated from China. As it spreads by touching and physical proximity, the government was forced to impose lockdown in the whole country. Due to this lockdown, all the activities going on in whole country were stopped. This affected the employments of people in a big way. Private sector started removing of people keeping in mind the loss to their business. Although government sector was least effected but those employee whose salary was based on manufacturing/production were partially affected. The lockdown has affected employments in all sectors of the country. Sectors like tourism, manufacturing, real estate and transportation were affected badly due to this pandemic. This reduction in employment will have long term effect. It will also affect the economic growth of country.*

Key Words: - COVID-19, employment, pandemic, economic growth.

1. INTRODUCTION:

The growth of Indian economy is going up day by day as compared to other developing countries. The growth has been in many sectors. This growth has generated lots of employment to the people. The employment has been generated for both skilled and un-skilled people. India has large skilled and even larger un-skilled man power. The people are contributing in the development of country in a big way. All sectors require man power to achieve their targets, and therefore the employments of people had been increasing in every sector.

In 2020, not only India but whole world has faced a pandemic called COVID-19. This is a virus generated disease, which was first found in Buhran city of China. As it is a new virus so there was no readily available medicine/vaccine to stop the effect and spread of this virus. As it was spreading very fast by touching each other, so government imposed a complete lockdown in the

country to stop the spread of this disease. All the activities were stopped; even the movement of people was also restricted. All citizens were instructed to remain in the same place till further order/instructions. This lockdown affected the employment of people in a big way. Most affected sector is the private sector. The owners of private sectors gave partial salary to their employee in the form of pay-cuts, upto a certain time but as business was almost negligible, they could not bear the loss for long time, because even production was closed so they were already in crisis. Although government tried to support by providing relief packages, free foods and rations to the affected people, but it was not sufficient to maintain the life as smooth as it was during pre lockdown period. Private sectors started to remove people from their establishments to reduce the losses. This created unemployment of people in a big way. Unemployment was created in all sectors like manufacturing, tourism, education etc. The sector wise generation of unemployment has been described below-

Manufacturing Sector: - Manufacturing sector was the most affected sector in terms of unemployment. As lockdown stopped all the manufacturing activities, so the man power involved directly or indirectly in the manufacturing sector lost their jobs. Those manufacturing industries which were planning to take more employees also stopped the recruitment process. Hence unemployment was created in both ways. This situation created a big problem to the people who lost their jobs. Many people who were paying instalments of their loan and other necessary expenditures faced difficulties in paying their monthly dues.

Tourism: - Tourism sector of India is one of the fastest growing sector. Lots of new places have been developed from tourism point of view. In recent years many foreign tourists have visited India. Government has also promoted tourism by launching many schemes. This initiative of government further increased the tourist's interest on India. Hence lots of employments have been generated in tourism sector in recent years. But due to the lockdown imposed by government to stop the spread of corona virus affected the employments as well as business opportunity of tourism industry also. Because during lockdown the movement of the people was completely stopped, hence tourists could not visited the tourist places of India, besides their were health concerns. Many tourists avoided their visit to tourist places due to COVID-19 pandemic. Hence the people or organizations which were involved in tourism industry started going in loss. To overcome this loss many organizations started to remove their employees, which created unemployment in this sector.

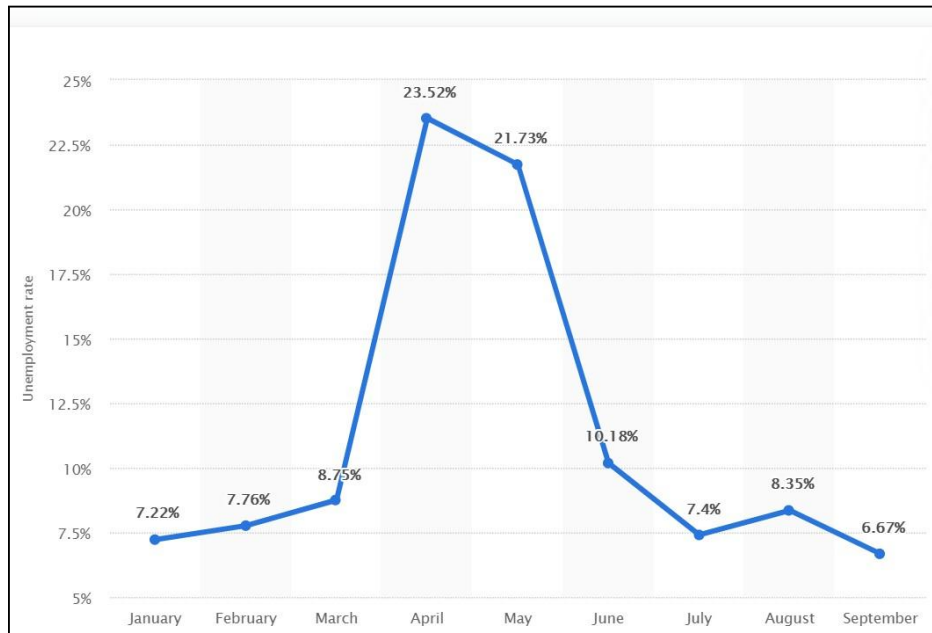
Real Estate: - Real Estate is another sector in which India is growing very fast. Lot of new constructions of housing societies, commercial towers and other buildings are being created. In the construction works of these buildings /societies a huge number of manpower is involved. Due to the lockdown, the constructions of housing societies, commercial towers and other buildings were also affected because of unavailability of raw materials. Hence the man powers belong to these activities could not get sufficient work. They were even not allowed to work with available materials due to lockdown. So the companies involved in the real estate sector started to remove workers to minimize their loss. Hence unemployment was created in large scale in this sector also.

Education Sector: - Education sector of India is also expanding at a rapid rate. Lots of new educational institutes have been established in recent years. Government has also encouraged public private partnership in this sector, which has further boosted the growth of education sector. Various new areas of studies have also come up in recent years. This led to lots of employment that got generated in education sector in a small time. But the lockdown imposed by government to stop the spread of covid 19 has applied break in the speed of growth of education sector. Many education institutes were closed down during lockdown because they could not pay the rental of the hired building/space. Government also reduced the fees that had to be paid by the students as the education institute closed during the lockdown and online mode was widespread. This decision also put more burden on educational institutes so they started removing of employees to minimise the loss. During lockdown education institutes started online teaching, which also reduced the need of many teacher/instructors. This process further increased the unemployment in education sector.

Transport:-Transport is another important sector that contributed to the growth of the economy. This sector provides backup for each sector by transporting their needs for goods on their premises in time. This sector also earns lot of money for government in terms of revenue. Lot of skilled and unskilled manpower is involved in this sector. During lockdown this sector was also affected in a big way. As all activities like manufacturing, movement of people etc was restricted by government so transportation of both commercial as well as personal was stopped. People preferred to stay home to stay safe. Only limited emergency goods/services for transportation were permitted. Initially railways and all forms of road transportation were stopped and even when it was started there were few takers. This resulted in the unemployment of people in this sector. As private partnership is more in this sector and no direct relief from government was available, so private owners removed many people to minimise their loss. Hence due to covid 19 pandemic resulted in job loss in this sector as well.

Overall Impact of COVID-19 on Unemployment:

In September 2020, India saw an unemployment rate of over six percent. This was a significant improvement from the previous months. A damaging impact on an economy as large as India's caused due a total lockdown was imminent. Unemployment went up to 24 percent in May 2020. This was possibly a result of a decrease in demand as well as the disruption of workforce faced by companies. Furthermore, this caused a GVA loss of more than nine percent for the Indian economy that month. Impact on unemployment rate due to the coronavirus (COVID-19) lockdown in India from January to September 2020 has been shown in following graph.



Graph 1 - Impact of COVID-19 on UnemploymentSource: Statistica.Com

2. CONCLUSIONS

COVID-19 has affected almost all sectors of country. It has not only affected the economic growth of India but also of the whole world. The lockdown was imposed in many countries of the world due to unprecedented conditions that were not witnessed in the recent past many decades. Many leading big industries and sectors were completely closed during this lockdown. The medium and small sector was deeply affected and many organisations reached closure conditions. This created unemployment of people in a big way. Many people faced various other problems due to lockdown. The unemployment of people will create long term effects in the life of people as well as in the development of Indian economy.

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