

Impact On Employment in India After Covid Pandemic 2022

Dr. P. N. Ladhe

Janata Kala Vanijya Mahavidyalaya, Malkapur,

ABSTRACT

India is amongst the largest countries in the world and has a population growth of one percent every year. With the labour market in India expanding and becoming more complex, types of employment in India, as well as the types of workers, are changing at a rapid rate, in businesses. There are up to five or six kinds of employees working in a company on today's date. In this paper we will retrospect Indian employment sector and its future after the pandemic hit.

KEYWORDS : growth, employment, pandemic, labour market

INTRODUCTION

India is a developing country. The developing country are facing problem of unemployment. The major problem of India is underemployment. The reason behind it is underdeveloped secondary sector which is sector of 'employment creation' in the economy. The reason for rural unemployment and urban employment are different. In rural unemployment, reason is increasing population, insufficient capitals, seasonal nature of agriculture occupation, lack of skill. The causes of urban unemployment are migration from rural area, more supply of labour, lack of suitable job, new capital-intensive sector. Job security, a challenge for Indians is also one of the greatest opportunities to extract potential. It is a public policy matter that needs to be addressed intelligently by reducing entry barriers along with enhancing quality employment conditions. Though India is world's youngest country in terms of demographic dividend, yet we see India has only 2% of the workforce skilled in comparison with 96% in South Korea, 45% in China, 50-55% in USA and 74% in Germany. The India is facing such level of unemployment which was never seen in last 45 years that is 6.2 % of unemployment rate. The recent pandemic has largely affected the employment situation in the country. The government has taken various steps in the past to tackle it such as Kaushal Vikas Yojana, MANREGA, Garib Kalyan Yojana and so on. We can also learn a lot of from country like China which is most populous country of the world but also a 'manufacturing hub 'of the world. The government should focus on skill development, adopt population control measure, more industries should be developed, skill enhancement, small and medium enterprises should be encouraged and so on.

DIFFERENT TYPES OF UNEMPLOYMENT

Disguised Unemployment:

- It is a phenomenon wherein more people are employed than actually needed.
- It is primarily traced in the agricultural and the unorganised sectors of India.

Seasonal Unemployment:

- It is an unemployment that occurs during certain seasons of the year.
- Agricultural labourers in India rarely have work throughout the year.

Structural Unemployment:

- It is a category of unemployment arising from the mismatch between the jobs available in the market and the skills of the available workers in the market.

Cyclical Unemployment:

- It is a result of the business cycle, where unemployment rises during recessions and declines with economic growth.

Technological Unemployment:

- It is the loss of jobs due to changes in technology.

Frictional Unemployment:

- The Frictional Unemployment also called as Search Unemployment, refers to the time lag between the jobs when an individual is searching for a new job or is switching between the jobs.

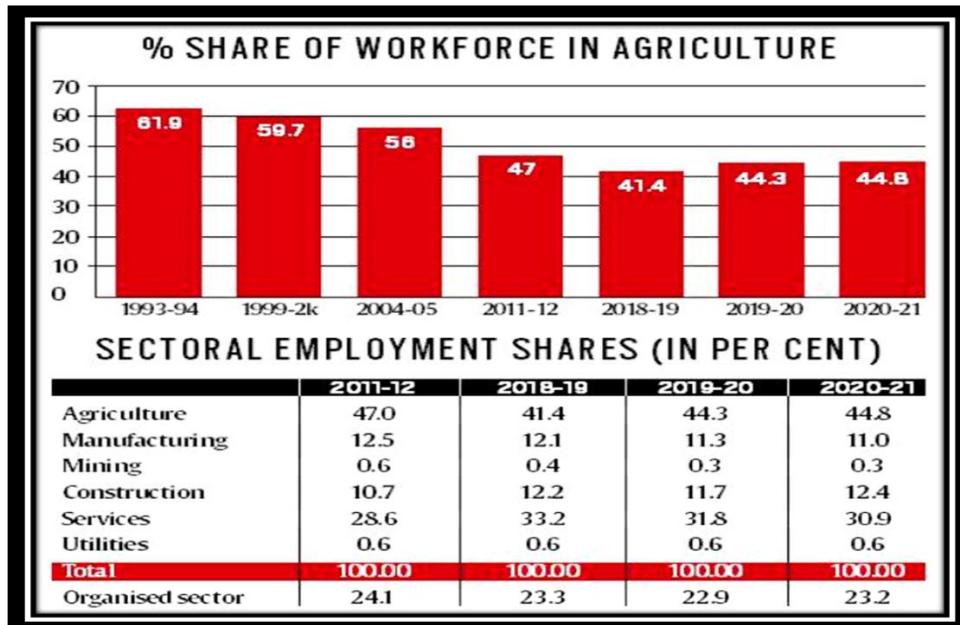
Vulnerable Employment:

- This means, people working informally, without proper job contracts and thus sans any legal protection.
- These persons are deemed ‘unemployed’ since records of their work are never maintained.

EMPLOYMENT GENERATED BY AGRICULTURE SECTOR

In 1993-94, agriculture accounted for close to 62% of the country’s employed labour force. The labour percentage in agriculture (based on data from the National Statistical Office’s Periodic Labour Force Surveys), dropped almost 6% points by 2004-05 and 9% points over the next seven years. The declining trend continued, albeit at a slower pace, in the subsequent seven as well. Between 1993-94 and 2018-19, agriculture’s share in India’s workforce came down from 61.9% to 41.4%. It is estimated that given its level of per capita GDP in 2018, India’s farm sector should be employing 33-34% of the total workforce. 41.4% may not be a substantial deviation from the average.

Below is the percent share of workforce in agriculture:



IMPACT OF PANDEMIC

Unfortunately, children and youth have experienced significant learning losses during the pandemic, which will inevitably hamper their progress in the future. India had one of the longest records of school

closures around the world and experts suggest that not only did learning stall for many, but the long gaps have also resulted in learning regression. These economic and educational deficits are projected to result in an increase in ability vs aspiration mismatches, notwithstanding the gaps in access and awareness. If the goal is to prepare youth for the future of work, we need to enhance the following:

1.Awareness about the green economy:

“Given the number of young people in India, we need to prepare them to be ready for this future. These sectors are often perceived to need more specialised skills and hence considered not very accessible for entry-level workers. It’s important to understand that it’s not only about preparing young people for careers in green, but also looking at understanding green in existing careers.” — Nikita Bengani, Director (Youth Programmes), Quest Alliance

With growing concerns around environmental sustainability, it is likely that the green economy will become a major employer in the coming years. This doesn’t just refer to new areas of work but also the green transformation of existing industries (such as automotive, electrical, construction, and hospitality). Interestingly enough, the green economy is expected to cover almost all sectors, either directly or indirectly. However, this transition will not be possible without widespread structural changes and investments to ensure that youth are given sufficient data and awareness about the skills required for engaging in these industries. The report states that, with the right resources (such as investment in green technology and research of green solutions), the sector is expected to add 8.4 million jobs by 2030 for the youth. It is an opportunity that shouldn’t be lost due to information asymmetry.

2.Accessibility Of Resources:

“Digitisation and technology are increasingly affecting all sectors from finance to healthcare. Human capital continues to be particularly relevant in this technology-driven economy. While digital and technology-based jobs continue to increase and bring several opportunities, they also bring forth challenges about relevant skills needed to fill these jobs as well as their effect on gender diversity in these jobs. Going forth, it is crucial that the employment ecosystem comprising policymakers, training partners, and firms makes concerted efforts to address diversity at the workplace.” — Devanshee Shukla, Doctoral Candidate, INSEAD

As economies shift from agriculture to industry to services, there will be a natural rise in the use of digital technology. However, there is a tendency for these jobs to be concentrated in urban hubs rather than rural areas and be heavily influenced by the availability of digital hardware and internet connectivity. According to the report, the sector is expected to add 6.4 million jobs by 2030 for the youth, but due to the higher levels of technical proficiency demanded by the sector, there is a lot of work to be done if we are to prepare young people for such work. The upside is that all jobs in the future may not be wholly technical. The creative economy is heavily reliant on digital skills and roles in these domains are also expected to grow.

3.Aspirations Around care labour:

“Women dominated those sectors that were most adversely affected by the pandemic, such as health, education, and other non-professional personal services. What will be important to ensure is that women are better represented in formal sector work, in decent jobs, and in less precarious work. Currently, they disproportionately account for informal and less productive jobs. Training in soft skills, retraining in skills more valued by the market, and other interventions aimed at building employability and confidence can help bring back former workers into the workforce.” — Dr Anisha Sharma, Assistant Professor (Economics),

Ashoka University The care economy is responsible for fundamental services such as education, healthcare, and domestic work. However, there are several vulnerabilities associated with this sector due to the informal nature of most roles. Social protection for these workers is often lacking and monetary compensation is far lower than other sectors. During the pandemic, workers in this sector experienced significant pay cuts, reduced working hours, and increased exposure to COVID-19. It is expected that in the future, the care economy will continue to be a major employer of youth, especially young women. Investments will have to be made to ensure that the sector provides opportunities for decent work, including policy development to enforce ethical practices that can make the sector more aspirational for young people.

SKILL DEVELOPMENT FOR WIN IN INDIA

It is heartening to note that the report has clearly highlighted skill development and entrepreneurship as the key area into which systems need to invest if we are to improve resilience among youth and create more opportunities for decent labour. However, it also highlights how the pandemic threw a wrench into the operating structure of several skill-development programmes. Almost 70 percent of technical vocational education and training (TVET) providers in high-income countries were able to deliver remote training, but hardly anyone managed to pivot in low-income countries. More than 50 percent of training activities stopped in these low-income countries during the pandemic. Very few organisations have been able to rapidly pivot and offer technology-enabled learning opportunities to the youth in rural India. The vast majority struggled with lockdown restrictions and their ability to connect youth to jobs dipped significantly, as evidenced by PMKVY 3.0's average placement rate of 15 percent. It is also worth noting that while youth overall were negatively impacted, young women felt the brunt of the pandemic a lot more. The report indicates that across the globe women are more likely to fall into the NEET category, and states that the last two decades haven't made any positive strides towards closing the gender gap. It was observed that the higher the levels of gender discrimination, unequal distribution of care work and restrictive social norms, more the number of women found to fall into the NEET category. The silver lining is that while there was a decline in women's employment, more women reported enrolment in education compared to men. The youth need to be equipped with an assortment of skills, ranging from transferrable core competencies to highly technical industry-specific knowledge, if they are to enter these new sectors. In order to keep up with these needs of the future, the ecosystem and all its stakeholders must transform. While the development sector may spearhead solutions designed to help overcome these gaps today, policymakers and philanthropists alike need to join hands and make investments that can help reduce these vulnerabilities in the future.

GOVERNMENT INITIATIVES FOR EMPLOYMENT GENERATION IN INDIA

Aatmanirbhar Bharat package

This is to provide stimulus to business and to mitigate the adverse impact of pandemic. Under this package, the Government is providing fiscal stimulus of more than Rs. Twenty Seven lakh crore. This package comprises of various long term schemes/ programmes/ policies for making the country self-reliant and to create employment opportunities.

Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS)

It is a demand driven wage employment programme which provide for the enhancement of livelihood security of the households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in every financial year to every household whose adult members volunteer to do unskilled manual work. Under MGNREGS wage has been increased to Rs. 202 a day from Rs. 182.

Aatmanirbhar Bharat Rojgar Yojana (ABRY)

It was launched in 2020 as part of Atmanirbhar Bharat package 3.0 to incentivize employers for creation of new employment along with social security benefits and restoration of loss of employment during Covid-19 pandemic. This scheme being implemented through the Employees' Provident Fund Organisation (EPFO), seeks to reduce the financial burden of the employers and encourages them to hire more workers.

Pradhan Mantri Mudra Yojana (PMMY)

It is being implemented by the Government for facilitating self-employment. Under PMMY, collateral free loans upto Rs. 10 lakh, are extended to micro/small business enterprises and to individuals to enable them to setup or expand their business activities.

Garib Kalyan Rojgar Abhiyaan

It was launched in 2020 to boost employment and livelihood opportunities for returnee migrant workers and similarly affected persons including youth in rural areas, in 6 States of Bihar, Jharkhand, Madhya Pradesh, Odisha, Rajasthan and Uttar Pradesh.

PM GatiShakti

Launched in 2021, it is an initiative aimed at coordinated planning and execution of infrastructure projects. The objective is to bring down logistics costs. The approach is driven by seven engines, namely, Roads, Railways, Airports, Ports, Mass Transport, Waterways, and Logistics Infrastructure. This approach is powered by Clean Energy and Sabka Prayas leading to huge job and entrepreneurial opportunities for all.

National Pipeline Infrastructure

The National Infrastructure Pipeline (NIP) for FY 2019-25 is a first-of-its-kind, whole-of-government exercise to provide world-class infrastructure to citizens and improving their quality of life. It aims to improve project preparation and attract investments into infrastructure.

Other

- The Government of India is encouraging various projects involving substantial investment and public expenditure on schemes like –
- *Prime Minister's Employment Generation Programme (PMEGP) of the Ministry of Micro, Small & Medium Enterprises,*
- *Pt. Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) of the Ministry of Rural Development,*
- *Deen Dayal Antodaya Yojana-National Urban Livelihoods Mission (DAY-NULM) of the Ministry of Housing & Urban Affairs etc. for employment generation.*
- Besides these initiatives, various flagship programmes of the Government such as *Make in India, Digital India, Smart City Mission, Atal Mission for Rejuvenation and Urban Transformation, Housing for All, Infrastructure Development and Industrial Corridors* are also oriented towards generating employment opportunities.

All these initiatives are expected to collectively generate employment and boost output in the medium to long term through multiplier-effects.

CONCLUSION

In conclusion, we can say that the unemployment problem in India has reached a critical level. However, governments and local authorities must take this issue seriously and work to reduce the employment. The government should also implement employment opportunities for young youth who are willing to work and there should be more employment opportunities in rural areas and the system provides the interview opportunities. In addition, we must address the main problem of employment first to fully solve this problem of unemployment which is the overcrowded Indian population because unemployment is serious and important challenge that needs to be seen and also removed from the country.

REFERENCES

1. <https://timesofindia.indiatimes.com/blogs/developing-contemporary-india/whats-the-future-of-employment-for-indias-youth/>
2. <https://frontline.thehindu.com/economy/unemployment-crisis-in-india-is-an-invisible-epidemic/article65674446.ece>
3. <https://www.drishtias.com/daily-updates/daily-news-analysis/india-s-unique-job-crisis>
4. <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1805787>
5. <https://www.studocu.com/my/document/universiti-teknologi-mara/principles-of-economic/conclusion-of-unemployment-in-india-with-asean/21538846>