

THE EFFECTS OF THE COVID-19 PANDEMIC ON GLOBAL EMPLOYMENT**Dr B. Nagarjuna**Professor, School of Commerce and Management, MB University, Tirupati, Andhra Pradesh,
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Abstract:

The topic of discussion in this paper is the impact that the COVID-19 pandemic has had on employment opportunities for different types of workers in India and throughout the world. In December 2019, the first confirmed case of Corona was discovered, marking the beginning of the pandemic that followed. The decision to implement a curfew across the entire country for a period of 21 days was made by the Prime Minister of the Government of India. All of the states' rules, regulations, and specific instructions for combating this epidemic were crafted by the Ministry of Home Affairs and distributed to them. The fact that people were left stranded at a certain moment was the most vulnerable effect that this virus had. As a negative consequence of the lockdown, people's lives came to a sudden and abrupt halt at a certain point, and many individuals endured a great deal of suffering as a result of the COVID-19 epidemic. In this research, the aftereffects of COVID are analyzed, with a particular emphasis placed on employment as an essential component that was adversely impacted. In the wake of the global epidemic, a great number of businesses in India and elsewhere suffered enormous financial losses. People were experiencing enormous mental and financial losses that they were unable to manage; those people who were capable enough found some way to overcome this precarious circumstance. Because this virus can be passed from person to person, many states have placed limitations on the hospitality industry and other types of enterprises in which large groups of people congregate. Because there was a possibility that this virus would spread, the government

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was forced to impose some limits on these businesses. The various health officials cautioned Indians to spend as much time as they could inside their homes. Because they were concerned about the safety of their personnel, the various commercial establishments put a halt to their economic activity. Because of these factors, economic activity has ground to a standstill, which has had a ripple effect that extends to the job sector. Every industry was negatively affected by the loss of jobs.

Keywords: Unemployment in a pandemic, worldwide effect, Indian context, guidelines under covid-19, effect on the market.

Introduction: It would appear that the recession brought on by COVID-19 is more substantial than the recession that occurred in 2009. The greatest impact that the pandemic had on any given region's labour market was felt in all of those regions. The (COVID-19) lockdown mostly overburdened small traders and labourers, resulting in more than 91 million people losing their jobs in April 2020. Reports indicate that the jobless rate increased to 26.0% on April 19th, up from 6.7% on March 15th. Out of that total, the unemployment rate in urban areas was 26.3%, while the unemployment rate in rural areas was 23.7%. More than forty-five percent of households across the nation stated that their income had decreased as compared to the previous year. The frailty of urban labourers, a considerable percentage of whom are migrants, has been demonstrated by the Coronavirus. They were among the first people to feel the effects of the lockdown, which consisted of the cessation of all commercial operations. It was a struggle for these labourers to stay alive day after day. Micro, small, and medium-sized businesses were hit particularly hard by the shutdown of the economy. Manufacturing, hospitality and food services, wholesale and retail trade, and land and commercial activities were the most negatively impacted areas of business. Trade, and more specifically retail, had been adversely impacted by the restrictions placed on the flow of products and services, and there is a possibility that this trend may continue. The fall in domestic demand as well as the decline in exports had already led to stagnation in the manufacturing industry. The effect of the shutdown on construction was instant and swift, as construction came to a halt as a result. The number of jobs that are expected to be lost is approximately 5 million, according to the reports of various authorities. Both the construction and agricultural industries have seen significant losses. During the time that the household was under lockdown, there was a significant drop in the amount of money that was brought in. Prices of goods and services are expected to grow up in the future as a direct result of inflation. During the duration of the lockdown, and due to the fear of the pandemic, many people who worked in households lost their jobs. The majority of Indians have experience working in their homes and caring for their families. It was extremely clear that social isolation was the primary method for controlling the COVID outbreak, and that frequent hand washing was the primary method for preventing the spread of COVID-19. However, this has a significant impact on employment opportunities across the board.

Covid-19 Effect on Various Sectors

Dairy Sector

Farmers make up a significant portion of the population of India. It may point out that small and marginal farmers are responsible for producing more than eighty percent of the milk that is consumed in the United States. It should come as no surprise that milk is their primary source of quick income for supporting themselves and their families. As a result of the fact that everyone was forced to remain inside their homes, and no one was permitted to leave their residences at any time, because there was no procurement of milk, there was a significant disparity between the amount of milk that was needed and the amount that was available. This was an extremely unfavourable circumstance for the farmers. Because milk is a commodity that spoils quickly, it needs to be thrown away. Only thirty percent of milk production and distribution is handled by the organized sector, which includes dairy cooperatives and private milk plants. The vast majority of milk production and distribution is taken care of by milkmen, milk contractors, and milk sellers.

Tourism, Aviation and Retail

As a result of there being a total lockdown, people were unable to move about the area. Because an outbreak of COVID-19 is more likely to occur when individuals travel, the tourist industry was the sector that took the most financial blow. As a result of tourists being prevented from moving freely from one nation to another, the tourism industry experienced a precipitous decline. There was a report that was produced by the World Tourism Organization presents the prognosis of a decrease in the number of visitor arrivals of between 20 and 30 percent. On the other hand, the reality is considerably worse, and it is getting worse. As a result of the lack of tourists, the aviation industry has also been severely impacted. The workers who were formerly employed in this field are now without work. The Aviation sector is responsible for the majority of the contribution to GDP, which is approximately \$75 billion. The lockdown will have a significant impact on the aviation industry. This industry experienced the most damage.

Labour Migration

The fact of the labour market in India is that workers migrate seasonally for various reasons. A significant number of people from more rural areas move to urban areas in search of better economic opportunities. As a result, there is a significant movement of people seeking work from rural areas to urban areas because metropolitan areas currently have a higher concentration of industries than rural areas or rural India. It is possible to point out that the majority of migrants in India are from the states of Uttar Pradesh and Bihar. In most cases, migrant workers can be found working in a variety of locations across India. It was discovered that a significant number of migrant employees receive a daily wage that is far lower than the standard. They are forced to labour in extremely deplorable conditions, are frequently in financial distress, and possess an extremely meagre amount of money with which to support themselves. It is possible to point out that a huge number of these workers did not have rations, and even a much smaller number had rations that would only last for a few weeks.

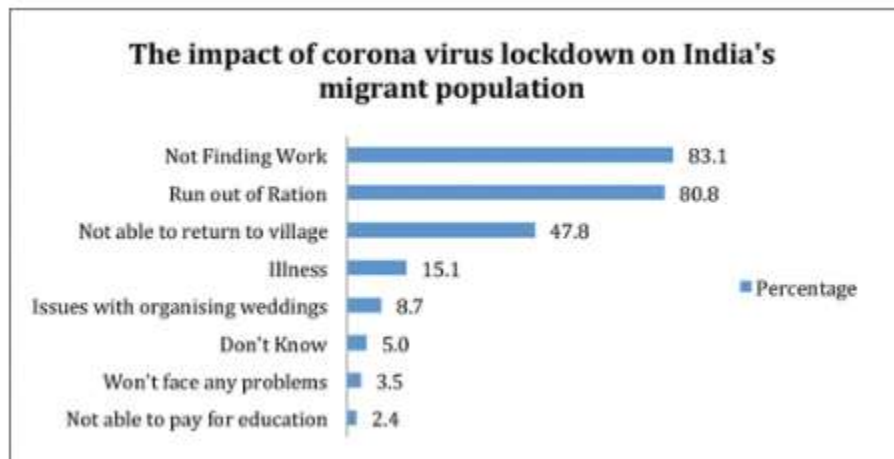


Fig. COVID-19 EFFECT ON MIGRATION OF WORKERS¹

Effect of Stock Market

As a result of the drastic reduction in the flow of funds from Western capital markets, there were shock waves felt throughout the global financial markets. This is because the Indian share market is also dependent upon for the fund flow from the Western Capital markets. As a result, the stock market experienced a sharp decrease. According to a variety of publications, it was stated that a large number of overseas investors withdrew a significant amount of money from the Indian stock market during the initial phase of the lockdown. This value was almost equivalent to about 500 billion Indian rupees. Because of the epidemic, many individuals are struggling financially and, as a result, they are placing a higher priority on purchasing food and medicine, despite the fact that both of these categories tend to be more expensive. As a result of the deteriorating state of the economy, the Indian rupee will reach the level of Rs75 in relation to the United States dollar in the days to come.

Micro, Small and Medium Enterprises

These businesses are responsible for approximately 35 percent of India's overall gross domestic product (GDP). It is having a significant impact on the employment landscape as well. It is responsible for the creation of around 85% of all jobs in India and currently employs approximately 115 million individuals. Due to the fact that these are micro, small, and medium firms, they are required to make their monthly EMI payments to the banks. These industries were completely paralyzed as a result of the shutdown, which caused their financial cycle to be completely thrown off. because the vast majority of these workers were absolutely reliant upon the cash cycle. There was a negative impact that COVID-19 had on the new businesses. These start-up companies are forced to rely on the capital provided by their founders because the founders' businesses are experiencing significant declines; hence, the question of how the founders will be able to fund their new businesses was a significant one. Because of this, these businesses had little choice but to reduce the cost of their labour in order to lower their expenses and reduce the amount of money they spent overall. Despite the fact that the Reserve Bank of India has provided some funding to the financial institutions that are responsible for providing

further funding for these businesses.

Healthcare Sector

COVID-19's primary focus was on the healthcare industry as its epicentre. The healthcare industry has a significant need for medical facilities as well as medical investments. Given that India is the world's second most populous nation, the country faces an increasing number of difficulties. There was a significant lack of sleeping quarters and safety supplies. According to the findings of the survey conducted by the various organizations, just 5 percent of patients were able to receive a bed in the intensive care unit (ICU), and the remaining patients had no choice but to pay bribes in order to secure one of these beds. As a result of there being no activities in this sector after COVID-19, there was a loss of around 4 million employments.

Metro Rail Services

Since March 25, the entire country has been under a complete lockdown. Because of the emergence of the virus, there have been limitations placed on travel around the country. The limits also had an impact on the services provided by the metro rail. According to the sources, the metros suffered a loss of approximately 2,000 billion rupees. On September 17th, the ban on using metro services was finally lifted. Because there were no ongoing business activities, the personnel who were employed on a daily basis have also been laid off from their positions.

Education Sector

Because of the school closures, this industry has been affected particularly hard. Because of the nationwide lockdown, schools, colleges, and institutions were all closed. Because students were not aware of the availability of online classes, it was necessary for them to adjust to the new system. In addition, certain states did not have internet facilities available. Teachers who worked in the private sector have been laid off because there isn't enough work. Students in some states were permitted to attend school as long as they complied with all of COVID-19's rules and requirements. In the event that any case is reported, the Head of the relevant institution is authorized to make the choice to shut down the institution.

Street Vendors

The people who frequent the public spaces where street vendors set up shop are the sole providers of income for the sellers' businesses. Since there was no economic activity taking place, the people who worked as street vendors were out of a job because there were no clients. After the lockdown, there were no earnings for these street vendors, so there was starvation and deprivation. Now that economic activities have resumed, there has been a sharp decline in their earnings as people are hesitant in eating the food. This is because there was starvation and deprivation before the lockdown. Sadly, a significant number of people who work as street sellers have been laid off.

E-commerce

Because of these restrictions, there was a great demand for the products offered by e-commerce companies; however, these companies were unable to deliver the product on time because of the travel instructions that the government had issued. The government had issued a number of advisories, including social distancing, sanitization of the hands, and avoiding unnecessary travel. There were many zones like red, orange and green zones. Both companies and customers suffered significant financial setbacks because of the incident. As a result of the lack of available work, a great number of people have been laid off.

Housing and Construction Sector

During the previous year, there was a significant decrease in the amount of funding received from both banks and non-banking financial corporations. There was a lack of interest in purchasing residential properties. As a result, there was a significant imbalance between supply and demand. It has a significant bearing on the employment opportunities available to migratory workers. Because the country has been placed under lockdown, a large number of migrant workers have been forced to leave their homes. Because there was neither an influx nor an outflow of finances, the working class was forced to rely completely on the state in order to meet its day-to-day financial obligations, which caused them to be subject to a significant deal of financial strain. It was impossible to get a job, and there was no other way to get around. They will have to go a distance of several kilometers on foot in order to get back to their homes. Since they had already returned to their homes, it is impossible to predict whether or not they will report for duty the following day. The entire world is currently dealing with an epidemic catastrophe, and everyone will need to find a way to strike a balance between the losses caused by the pandemic and the institutions that are responsible for maintaining economic stability. Because of the gravity of the situation, it is imperative that all parties collaborate in order to jumpstart the economy.

Unemployment

The worst possible impact that this pandemic is having on people's incomes and their ability to work is being felt all around the world. Even though every industry was hit very hard, the tourism, hotel, restaurant, retail, and administrative activities sectors were among the most severely impacted. The expansion of the employment sector is wholly dependent on the economic activities as well as the policy measures and the implementation of the policies. According to research from the International Labor Organization (ILO), four out of five of the world's 3.5 billion workforce members are currently being negatively impacted the most as a direct result of the whole or partial shutdown of businesses. There is an estimated workforce of 1.3 billion people employed in high-risk areas. As a result of layoffs and several other industrial activities, the likelihood of members of this labour force finding employment is quite low. The following are the three most significant elements that have an effect on the Indian company:

1. Linkages
2. Supply chain
3. Macroeconomic Activities

There are connections between a great number of corporations based in India and those based in the nations that are reporting the largest number of COVID-19 incidents. Because of this, economic activity in these countries is moving at a snail's pace, which has led to an increase in the number of unemployed people living in the country. The automotive industry, the tourism industry, the pharmaceutical industry, and the smaller-scale manufacturing industries are the ones that are most negatively impacted. Because the world economy is being impacted by the COVID pandemic, many sources predict that India's GDP will increase by anywhere from 1.5% to 2.8% in 2020, while other reports predict that India's GDP will expand by only 1.9%. The micro, small, and medium enterprise sector, hospitality industry, civil aviation industry, agricultural and allied sector are the other sectors that have been hardest damaged. The most severe immediate effect of this epidemic will be a loss of jobs, while the long-term effects will be a slowing of economic growth and an increase in inequality.

According to one estimate of job loss that was shown in a survey, 80 percent of jobs were affected in the urban economy, the majority of which were self-employed, and 54 percent of jobs were affected in the rural economy, the majority of which were casual employment. This estimate is based on the findings of the survey. There is no such clause in our Constitution or in the Indian labor laws that deals with the lowering of wages, and these provisions are absent in both. There is going to be such an agreement made between the employer and the employees. This whole situation is a result of COVID-19, and in some fields (like the aviation and tourism industries), there has been a uniform pay drop across the board. Both the business and the employees have agreed to this change. In this regard, the same terms and conditions should be implemented generally, without any discrimination and most especially not in the form of punishment to any specific employee. This is particularly important in the event that the employer is contemplating the implementation of wage reduction. Therefore, these businesses let go of a significant number of employees whose departures were amicably agreed upon by both parties.

Conclusion

The impact of the COVID-19 pandemic on all sorts of industries is unimaginable, and it will continually disrupt the world economy until its prevention vaccine comes on the market and is given to at least half of the population. The pandemic resulted in the loss of millions of jobs in all industries and has a much broader impact than the recession in the year 2008. The worst-hit industries are hotels, travel, transport, oil, entertainment, real estate, construction, and advertising. The impact of the COVID-19 pandemic on all sorts of industries is unimaginable, and it will continually disrupt the world economy until its prevention vaccine comes on the market and is given to at least half of the population. The pandemic resulted in the loss of millions of jobs in all industries and has a much broader impact than the recession in the year 2008. The worst-hit industries are hotels, travel, transport, oil, entertainment, real estate, construction, and advertising.

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The reports of the various govt agencies show that urban employment was 31 percent and rural employment was 21 percent. Due to the migration of workers, the situation has worsened a lot. It was mentioned that due to the reverse migration unemployment in the rural sector has increased drastically. The various business houses are facing losses which have led the workers for leading miserable life. The effect of this was very harsh for the unprotected workers and the most deprived groups of the country which are the major contributor to the Indian Economy. There is a great impact of COVID-19 on customers as still, the economy is shrinking. The consequences of this epidemic are still not known. While some organizations fail to meet their needs and some companies are involved in the innovation of new things which will cater for the demands of the people. All the essential services like electrical departments, gas, and water supply were open but other non-essential services were totally closed. The impact on the agricultural sector cannot be known as it is a seasonal affair.

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