



CREATION WELFARE SOCIETY

STUDY DONE BY CREATION WELFARE SOCIETY

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A STUDY ON IMPACT OF COVID-19 ON LIVELIHOOD OF YOUTH, SHGS, AND EMPLOYERS

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Table of Contents

| | |
|---|----|
| Acknowledgement | 2 |
| Executive Summary | 2 |
| Impact of Covid-19 on Semi Skilled Youths..... | 2 |
| Types Of Skills Respondents (Youths) Have - | 3 |
| Impact on SHGs. | 3 |
| Type Of Skills And Possible Livelihood Of SHGs..... | 4 |
| How Much Work From Home Is Sustainable For Them..... | 4 |
| Impact on Job Opportunities..... | 5 |
| Cut In New Employment In Different Sectors..... | 6 |
| Silver Lining | 7 |
| Conclusion | 8 |
| Recommendation | 8 |
| Post Covid-19, Livelihood (Employer Survey Form) | 9 |
| Post Covid-19, Livelihood (Youths/ Women Survey form) | 11 |

Acknowledgement

COVID-19 pandemic & lockdown outcomes have created an unprecedented circumstance for the entire country. In India the lockdown has affected the economy in general and also created numerous problems for the livelihoods of the poor and the underprivileged. The daily wage labors, vendors, MED, SHGs members (those were involved in community-based income generated activities) Semi skilled youths especially working in retail sector are highly affected from this pandemic. To know the impact of pandemic on the livelihood of under privileged people, retail sector, Handicraft, Urban & rural artisan, Micro Enterprise & Hospitality at ground level Creation Welfare Society has conducted a study. The objective of the study is to understand the livelihood opportunities Post Covid-19, Expectations of employers and employees, change in market trends, change in business preference, Safety measurement so that CWS could plan and help all beneficiaries those are associated with CWS through different types of upskilling and liaison with concern departments . We hope that the findings from this study will help both our beneficiaries and employers in getting right opportunities of candidate and job.

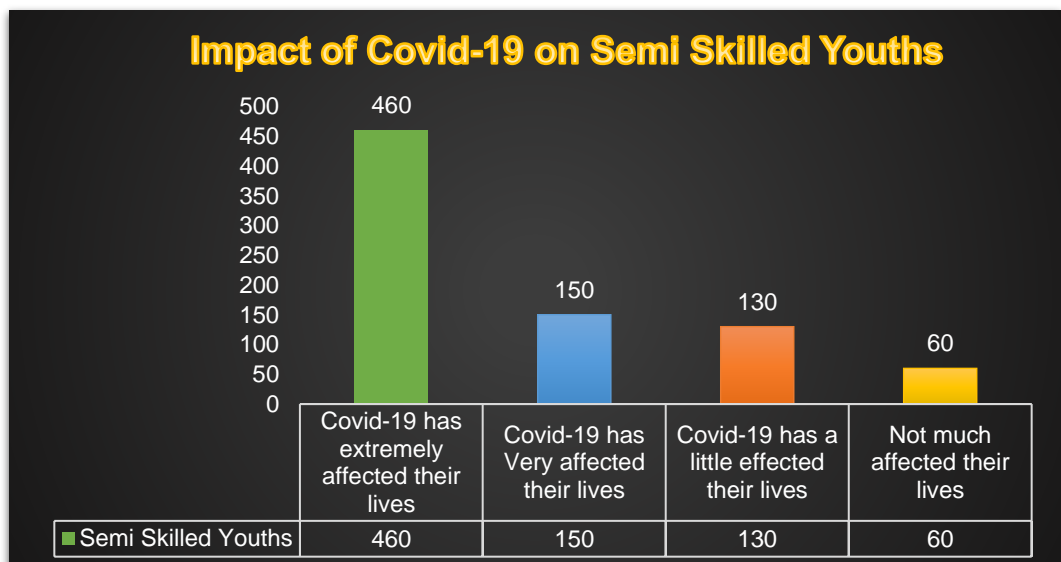
Creation Welfare Society would like to thanks to all its employees who worked hard and made this study meaningful. Our special gratitude to the study team for their dedicated work and making study possible in such a small period.

Executive Summary

COVID-19 has brought up numerous challenges for the migrants, under privileged people, artisans, Micro enterprises, vendors, Daily wage labors because the activities they do for livelihood have been stopped due to lockdown. This study is an effort to reveal the impact of COVID 19 and the associated lockdown on the lives of under privileged people. The study is conducted with youths, SHG members, Employers from retail and Hospitality sectors through face to face meetings, Telephonic conversation, responses obtained from a sample size of 1060 respondents. 50 employers (Retail and Hospitality) 800 youths and 200 women from different SHGs, from three states, Delhi, UP & Bihar. 780 respondents are from Delhi (Mangolpuri, Prahladpur, Mahipalpur), 100 respondents from Bihar (Sujawalpur, Muzaffarpur & Kishanganj) & 120 respondents are from UP (Khora). The data was collected between 1st April 2020 to 10th June 2020.

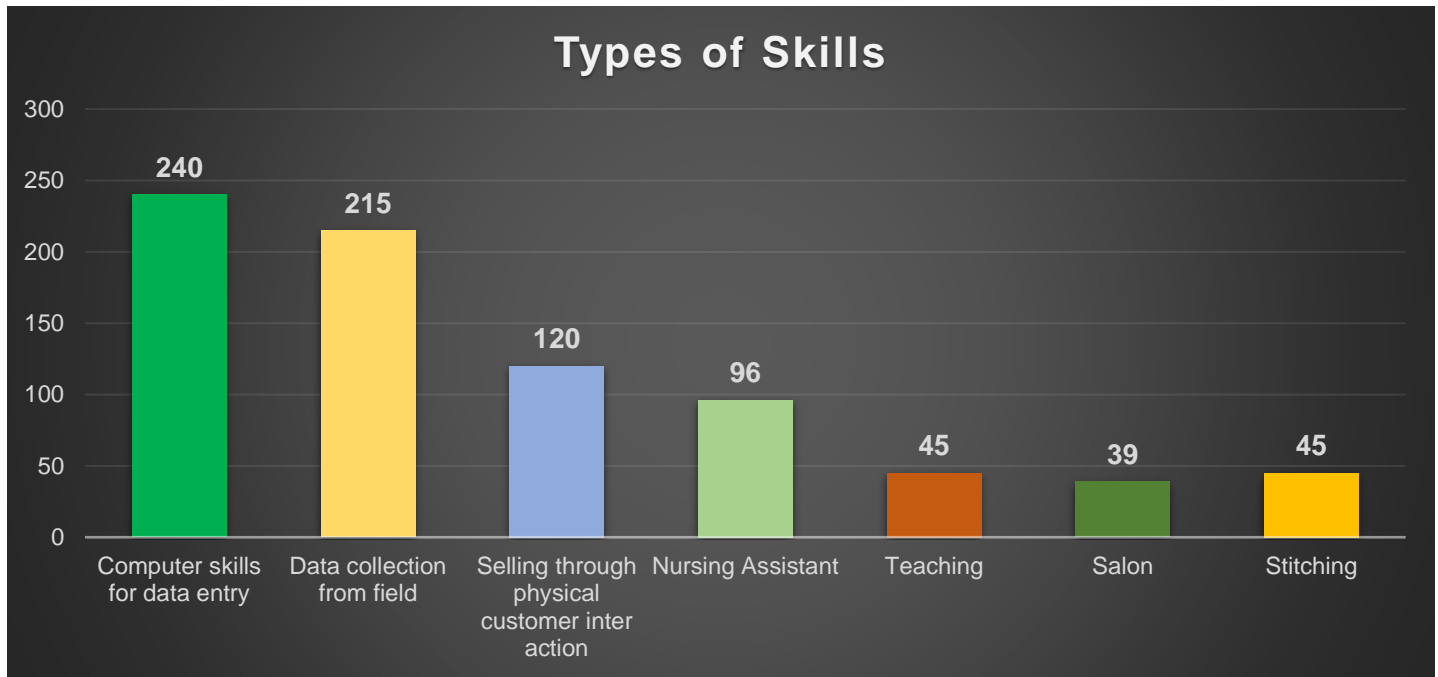
Impact of Covid-19 on Semi Skilled Youths.

The covid-19 has highly effected to youths personal and professional lives, It was difficult for them to Work from home as they do not have access to WI-FI, network issues, not have proper sitting arrangement, maintaining office time, lack of resources available for work from home, most of them were saying work from home is not the sustainable model as retail sector need the physical interaction



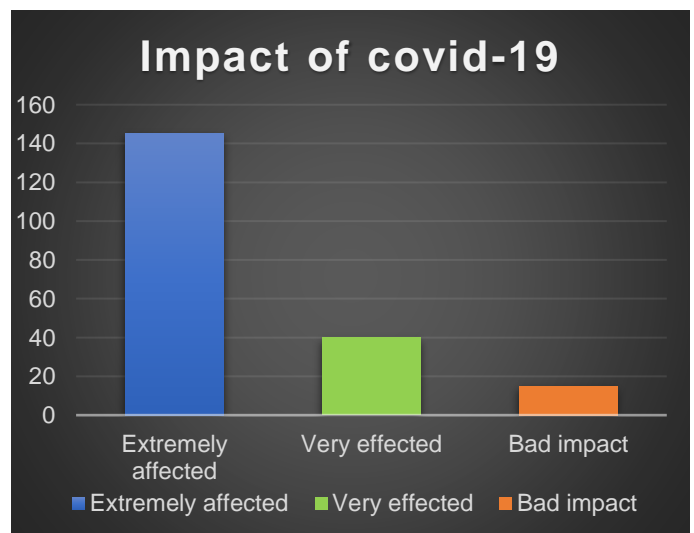
with clients. 460 youths out of 800 said Covid-19 has extremely affected their lives, 150 youths agreed Covid-19 has Very affected their lives, 130 said Covid-19 has a little effected their lives while 60 said it has not much affected their lives. Most of them are agreed on during Lockdown period they have a very few opportunities of work/ few employers have tried to connect them. (Source CWS Survey)

Types Of Skills Respondents (Youths) Have - There are mainly a few kind of skills respondents have to spend their livelihood, 240 Computer skills for data entry, 215 Data collection from field, 120 Selling through physical customer interaction and 96 Nursing Assistant, 45 Teaching, 39 Salon, 45 Stitching. (Source CWS Survey)



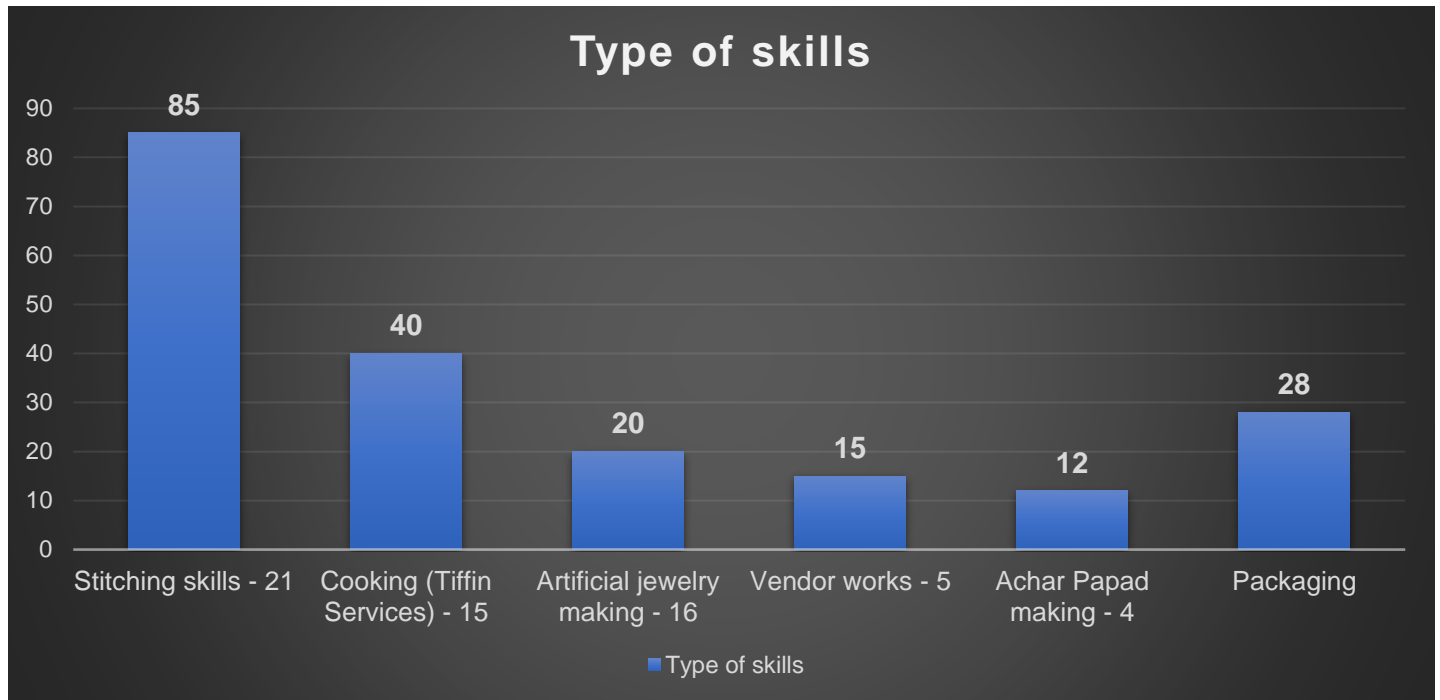
Impact on SHGs. During our study we found COVID-19 has completely destroyed to Micro enterprises, Artisans, Vendors, and daily wage labors. When we came to know the effect of COVID-19 on their income it was totally socking. 185 out of 200 women said there were not a single earning hand in their families during lockdown. Only 15 families were there who were involved in income generated activities.

Most of our respondent were highly effected during lockdown and have concern about their livelihood. 145 respondents said Covid-19 has extremely affected their personal and professional Lives, 40 said very effected while 15 have agreed over the bad impact of covid-19 on their lives. (Source CWS Survey)



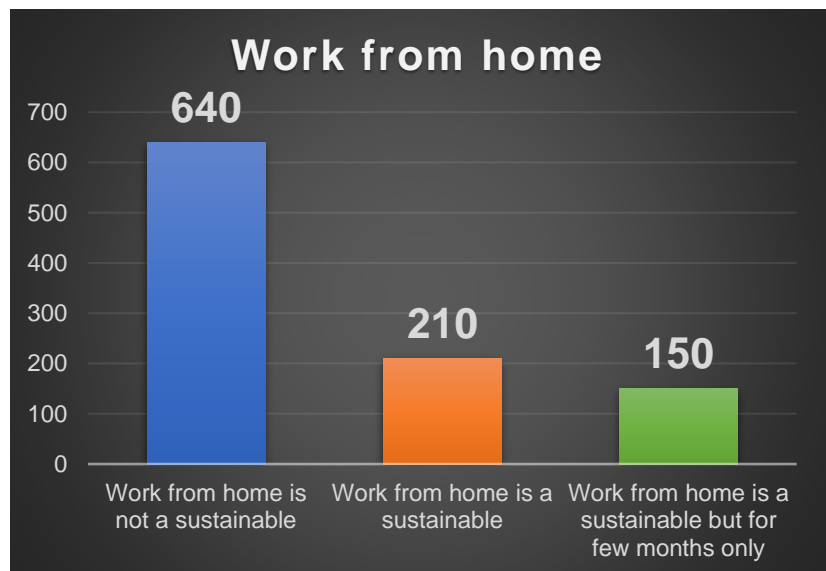
Type Of Skills And Possible Livelihood Of SHGs 85 out of 200

respondents have the stitching skills, 40 were Cooking (Tiffin Services), 20 have artificial jewelry making, 15 have said they can only do Vendor works, 12 have Achar papad making & 28 said different type of packaging. Presently there is no demand of their products even the some of their regular customers have migrated or have closed their business. **(Source CWS survey)**



How Much Work From Home Is Sustainable For Them

640 out of 1000 respondents instantly said work from home is not sustainable for them as they do not have sufficient space for work, smart phone or Laptop. There are many distractions like making a work schedule, number of working hours, lack of resources, anxiety. 210 said they can work from home, 150 said they can work from home for few months but have to get a formal working environment.

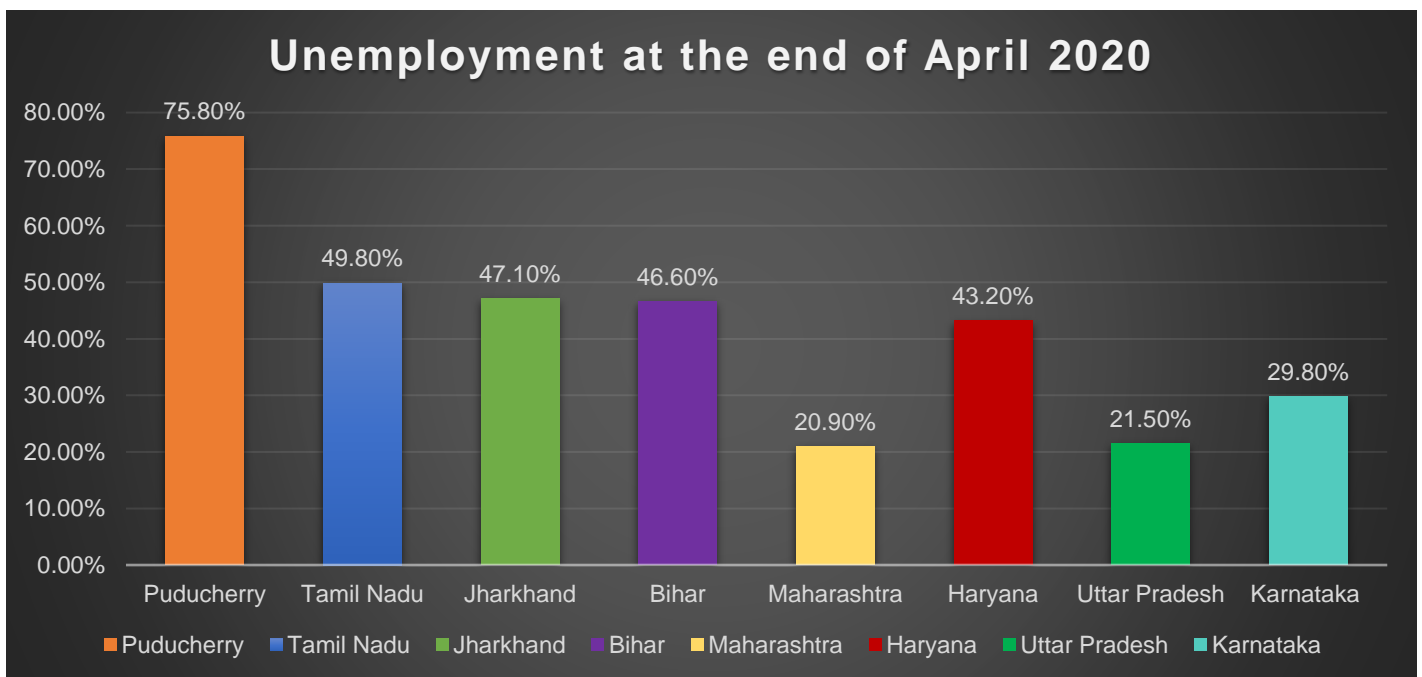


Impact on Job Opportunities

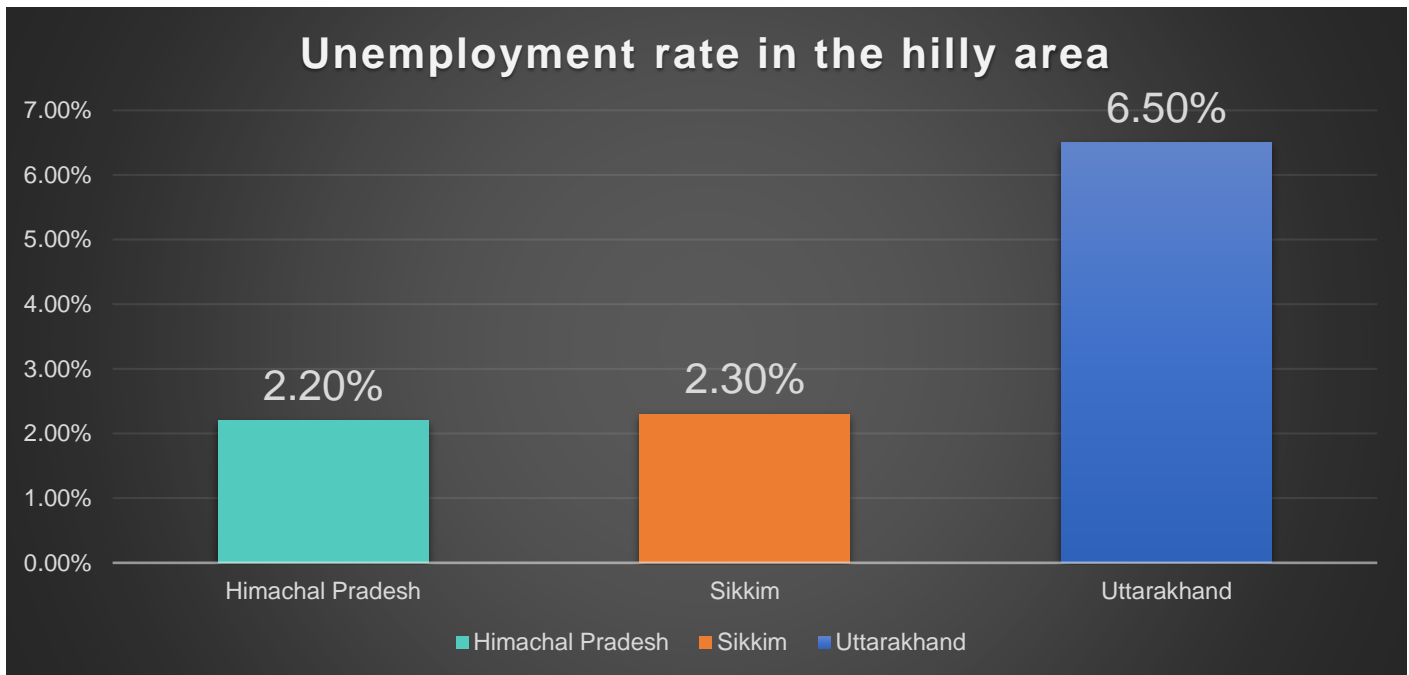
The coronavirus (COVID-19) crisis has led to a spike in the country's unemployment rate to 27.11% for the week ended May 3, up from the under 7% level before the start of the pandemic in mid-March, the Centre for Monitoring Indian Economy (CMIE) has said. The Mumbai-based think tank said the rate of unemployment was the highest in the urban areas, which constitute the greatest number of the red zones due to the coronavirus cases, at 29.22%, as against 26.69% for the rural areas.

According to the report of Centre for Monitoring Indian Economy (CMIE), only a little over one-fourth (27.7%) of the total working age population (15-59 years) of 1003 million, i.e. 285 million people were working in the week after the lockdown (the corresponding last figure before lockdown being 404 million. This shows that within the two-week period of lockdown, 119 million workers have lost their jobs. If we assume half of those who have lost their jobs are main or single earning family member of an average of 5-member family size (as per census 2011) households, around one-third (60 million households or 300 million people) of India's people or households, could be facing a severe livelihood crisis and around 227 million households are in despair. The CMIE report shows a significant fall in jobs and simultaneous significant increase in unemployment rate in March 2020. The unemployment rate stands at 8.7% in March 2020, which is way higher than government non employment estimates at a 45-year high of 6.1% in 2017-18. This is the highest unemployment rate since September 2016. The unemployed people have also gone up from 32 million to 38 million during the same period. The situation became further worse as we moved into the lockdown period in the last week of March and the unemployment rate soared to 23.8%.

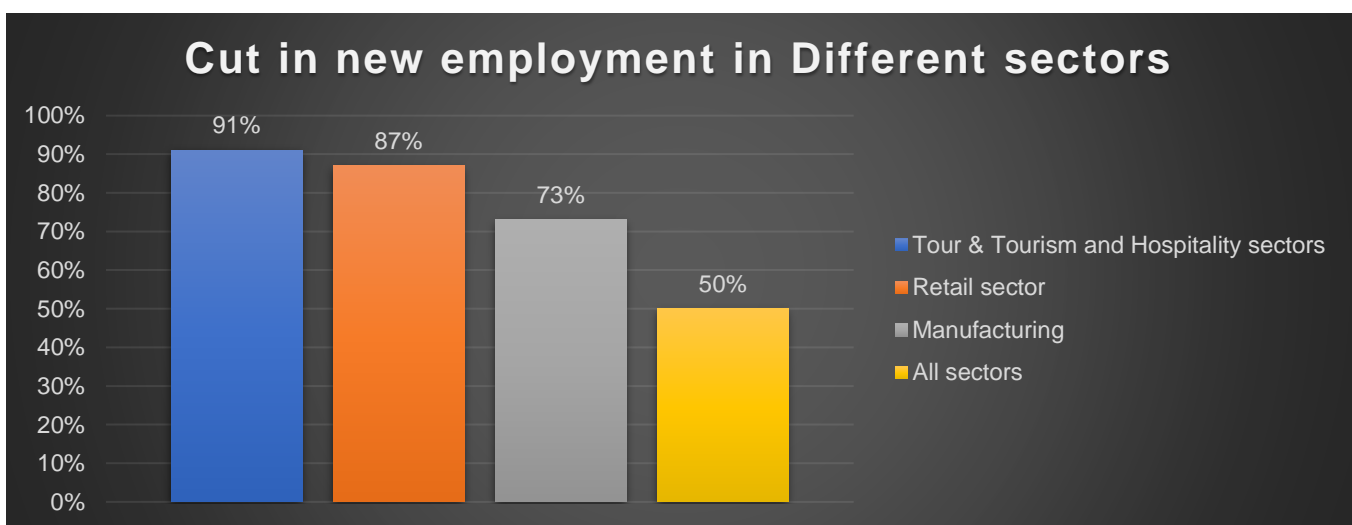
As of the end of April, Puducherry in South India had the highest number of unemployment at 75.8%, followed by neighboring Tamil Nadu 49.8%, Jharkhand 47.1% and Bihar 46.6%. Maharashtra's unemployment rate was pegged at 20.9% by the CMIE, while the same for Haryana stood at 43.2%, Uttar Pradesh at 21.5% and Karnataka at 29.8%. (Source CMIE report)



- Hilly States had the lowest incidence of unemployment as of April, the think tank said, pointing out that the rate in Himachal Pradesh stood at 2.2%, Sikkim at 2.3% and Uttarakhand at 6.5%. (Source CMIE)



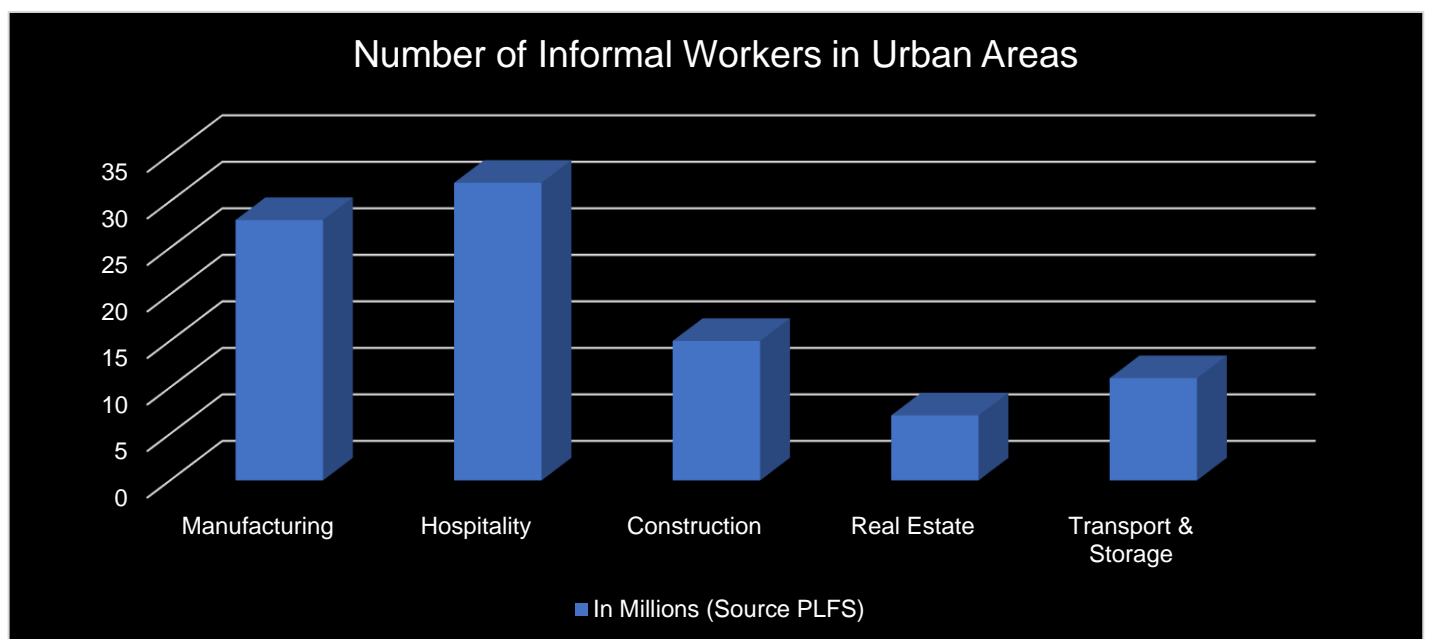
Cut In New Employment In Different Sectors –Recently Naukri.com rolled out a survey to 50,000 active job seekers to get some useful insights on the Job markets. there is an evidence of 91% hiring cut in Tour & Tourism and Hospitality sectors, while 87% hiring cut in retail sector, 73% in manufacturing, overall, more than 50% hiring cut in all sectors. (Source Naukri.com)



According to the **Periodic Labour Force Survey (PLFS)**, about 90 % or 419 million of the total 465 million workers are engaged in informal sector with 95%, and 80% in rural and urban areas respectively. In magnitude,

the informal workers in rural areas (298 million) comprise almost 2.5 times higher than urban areas (121 million). This is primarily because of large number of informal workers are engaged in farm or agricultural activities (62%) in rural areas compared to only 8% in urban areas. Therefore, 92% informal workers engaged in non-agriculture sector in urban area have been impacted more by the lockdown due to halt in economic activities in cities such as industrial and business activities. The number of most vulnerable informal workers can be categorized by three ways (i) the most affected sectors; (ii) status of work and (iii) vulnerable occupations, where they are engaged in urban areas.

In urban areas, about 93 million informal workers are involved in five sectors that are most affected, namely, manufacturing (28 million); trade, hotel and restaurant (32 million); construction (15 million); transport, storage and communications (11 million); and finance, business and real estate (7 million). Out of total 93 million informal workers in these sectors, 50% are self-employed, 20% are casual workers on daily wages and 30% are salaried or contract employee without any social safety net. (Source PLFS)



Silver Lining - Even as the employment outlook gets grim in India, the country has the most optimistic hiring along with Japan & Taiwan. Outlooks from employers in Japan and India rank as the strongest globally while Singapore has the weakest outlook employer globally. As India is gradually stepping out of the lockdown, the number of jobs is also increasing significantly.

There are some good vibes for retail sector as increase in demand of products and services reported after Lockdown. 5% of employers are planning to hire employees in Second Quarter in India,

As per **The Financial Express** survey, the strongest face of hiring reported in mid- sized organization followed by Large- sized and small-sized. (Source **The Financial Express**.)

After a contraction in the current financial year, India's economy is forecast to bounce back with a sharp growth rate of 9.5 per cent next year provided it avoids further deterioration in financial sector health, Fitch Ratings said on 10th of June 2020.

Conclusion - Covid-19 has an ample adverse impact on the livelihood of under privileged youths, women and also affected entire retail, hospitality, Micro Enterprise, manufacturing and service industries. Business operations were paralyzed that affected livelihood & economy of entire world. None of the employers were able to hire new employees during lockdown except Courier and transport. The employment outlook in India has hit a 17-year low, with employers in manufacturing, services, and wholesale & retail trade reporting their weakest forecast on record. There is need of restructures our business models and adopt the new ways of marketing's. India has witness growth in agriculture sector only during the lockdown period. The casual workers were the most vulnerable due to the irregular nature of their work and daily-wage payment, which are highest in construction sector. So, all these regular salaried or contractual employees, those who are currently not working, skilled workers and petty shopkeepers who are sitting idle at home or returned to their native places or staying in shelter homes may not be able to recover their jobs once the lockdown period is over. Added precautions like social distancing, contact tracing, and strict health controls over entry at the workplace and market would also impact the employer-worker relationship, thereby proving to be a huge departure from the casual business as usual approach.

The above discussion concludes that the worst affected informal workers who are casual or daily wage workers involved in vulnerable occupations 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.

Recommendation - To ensure the livelihoods of youths/SHGs there is a great need of time to change the activities of Livelihood. There is a need to make investments to build financial (Usages of different online payment modes) and digital literacy (Usages of smart phone) of SHGs and youths so they can build the confident in cashless transactions. It will also help them to do digital/social marketing of their Handicraft, products, Artisans, monthly saving of SHG groups, Inter- landing, so that they can avoid the infection chances of Covid-19.

There is also need to rehabilitate the youth who are coming back to metro cities after overcoming emotional crisis, in search of livelihood. They need to be trained and equipped as per the current demand of industry which has changed post COVID-19. Even training on personal safety and hygiene of street vendors required to keep them safe and assure customers that they are not purchasing infected goods/consumables.

Retail is one of the sectors most affected by COVID-19, in both positive and negative ways. Grocers, pharmacies, and e-commerce marketplaces are sustaining consumer access to essentials—food, medication, toiletries, and selected “at home” categories—while striving to protect customers, employees, and suppliers. Need of the time is to focus on essential retailers where opportunities are still growing and digital platform will play vital role in their growth. Hence training on e-commerce and digital transactions is the requirement of time.

As India has observed growth only in agriculture sector during the lockdown period but unfortunately this sector is overloaded with number of people dependent on it. Backward migration has increased the pressure on this sector, hence it is necessary to focus on value addition of agri-based products and make planning according to the skill mapping done by states.

Post Covid-19, Livelihood (Employer Survey Form)

1. How much Covid-19 has affected you?

- Tremendously
- Very
- Slight
- Not much
- Not at all

2. What do you think about the impact of coronavirus on your company?

- Enormously high
- Very high
- Slightly
- Can't Say any think
- Not at all

3. How easy or difficult is it for you to work effectively with your human resources these days?

- Very easy
- Slightly easy
- Neither easy nor difficult
- Slightly difficult
- Actual difficult

4. What are the major challenges you are currently facing while work from home?

- Maintaining the timetable
- My workspace sitting arrangement
- Numerous distractions at home
- Lack of resources existing for work.
- Worry about the impact of coronavirus on my family life
- Communication with Employees
- Mobiles Internet connectivity
- Other (please specify)

5. What do you think how long work from home you could comfortably allowed to employees?

- It's not sustainable now
- One week
- Two weeks
- About a month

- Two months
- Three or more months

6. How often would your company communication team will communicate to employees and client? How your company will mitigate the business problems due to Covid-19?

- Every day
- Few times a week
- Once a week
- Monthly

7. How confident are you on the decision making team of your company to meet uncertain circumstances in this crisis?

- Enormously assured
- Identically assured
- Slightly assured
- Not so assured
- Not assured at all

8. How confident are you that you have the right funds and benefits from your company to help support you through this period?

- Enormously assured
- Identical assured
- Slightly assured
- Not so assured

9. What are your work related concerns right now?

Post Covid-19, Livelihood (Youths/ Women Survey form)

1. How much Covid-19 has affected you?

- Very much
- Very
- Slightly
- Not much
- Not at all

2. What do you think about the impact of coronavirus on your professional life/ Job?

- Enormously high
- Very high
- Slightly
- Can't Say any think
- Not at all

3. How easy or difficult is it for you to work effectively with your resources these days?

- Very Easy
- Slightly easy
- Neither easy nor difficult
- Slightly difficult
- Very difficult

4. What are the major challenges you are currently facing while working from home?

- Maintaining the Routine for Work
- My Sitting Arrangement
- Mobile network
- Too many distractions at home
- Other (please specify)

5. What do you think how long work from home you could comfortably?

- It's workable now
- For a week
- For two weeks
- For 4 Weeks
- Till circumstances not under control.

6. What type of skills do you have? Please Specify.

7. How assured are you while facing an interview?

- Extremely assured
- Very assured
- Slightly assured
- Not so assured
- Not assured at all

8. What type of job you are looking for?

- Back end office work
- Field work
- Online Work
- Customer Executive
- Tele caller

Any other please specify.....

9. Do you have smart phone?

- Yes
- No
- Will arrange if I got the job
- Can't arrange at all

10. What is your major work-related concern right now?

please specify