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IMPACT OF COVID-19 ON EMPLOYMENT IN ORGANIZED AND UNORGANIZED SECTOR OF CHHATTISGARH

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Abstract: *By the means of growing figure of Covid-19 cases, the administration has locked down transport services, closed all public and private offices, factories and restricted mobilization. The situation indicates that no one can get untouched of it, the entire sector from production to service will get affected from it. The nationwide unemployment rate is also increasing. It is assumed that the income of informal sector workers has been decreased to 60% and in formal sector also the employee faces the unfavorable situation. This study based on secondary data, explores the various facts of unemployment in different organized and unorganized sectors. Apart from it this research also evaluates on the current, prior and future facilitate occurs in Chhattisgarh and tries to find out the remedies of it.*

Keywords: *Covid-19, organized sector, unorganized sector, unemployment, lockdown.*

I INTRODUCTION

On December 2019, there was an eruption of a new pandemic in wuhan city of China. At an early stage it was unknown but later on spread so fast and capture all over the world. In India the first case of Covid-19 was reported on 30 January 2020, slowly the pandemic spread to various states and union territories including the state of Chhattisgarh. The first case in Chhattisgarh reported on 19 March 2020. The Government of India implemented a complete lockdown on its population of prevent the spread of Covid-19. All the factories, non-necessary shops, markets, temples, church and mosque were closed. Only essential services such as hospital, grocery shops, vegetable shops, dairy products shops, water distribution and electricity production were exempted during the lockdown. The lockdown slowed the economic circle in the world, which result in shut down of production unit, services and international trading. According to MHRD report there is a job loss of 40 million people in the country and mostly people relates to unorganized sector. Due to long lockdown economy of the country nearly shattered down. Nationwide unemployment was highest in Tamil Nadu 49.8%, Jharkhand 47.1%, Bihar 46.6%, Chhattisgarh 3.4%, Telengana at 2.9% it was lowest in Punjab 2.9%.

II RESEARCH METHODOLOGY

A. Statement of Problem:

This study is an attempt to finding out the effect of biological Pandemic Corona Virus on the unemployment. The statement of the problem is “Impact of Covid-19 on employment in Organized and Unorganized Sector of Chhattisgarh.”

B. Objectives:

1. To study the role of organized and unorganized sector.
2. To study the impact of Covid-19 on unemployment in organized and unorganized sector.
3. To find out the remedies of it.

C. Data Collection:

The present study is descriptive and is completely based on secondary data. The data has been extracted from various published sources like news paper, research journals, Government reports, various news bulletins and some authenticated websites.

D. Limitation:

1. The area of study is limited within Chhattisgarh state.
2. This paper is on conceptual study based on secondary data.

This study is limited up to organized and unorganized sector of Chhattisgarh in current pandemic situation.

III ROLE OF ORGANIZED AND UNORGANIZED SECTOR

India has total of 457.5 million of the workforce and 13.7% of it belongs to the organized sector, where as the rest of 86.3% belongs to the unorganized industries sector with such a huge manpower we must understand the concept of organized and unorganized sector.

Organized Sector

Organized sector or formal sector are incorporated or registered by the Government follows rules and regulation given in various laws, having formal process and procedures. Workers having security of employment, working hour fixed, overtime for extra hours work, worker also get fringe benefits, provided fund, gratuity, medical facilities etc. In this sector employment is fixed, job is safe and worker's got good salary.

Unorganized Sector

When we speak about unorganized sector, it is a sector which is not in the control of Government. The terms of service are not fixed, there are small and scattered units, rules and regulations are not followed, low paid, salary, no fringe benefits, and no provision of overtime, holidays and medical allowances. It includes industrial labour, Auto drivers, mechanics, gardeners, servants, hawkers etc.

Impact on organized and unorganized sector

The impact of Covid-19 on the employment in organized and unorganized sector is immense. In this situation every sector faces a great financial loss. The International Monetary Fund (IMF) reported that India's growth estimate for financial year 21 to 1.9% from 5.8%. This pandemic period has affected health, trade, business and almost all the activities of life. Due to this situation large business though survived fairly retrenchment but small business were totally disrupted. Covid-19 has affected employment adversely. As per (NSSO) the total employment in country was of 46.5 crore out of which 2.8 crore workers are in organized sector and the remaining 43.7 crore workers are engaged in unorganized sector, out of these worker in informal sector and remaining were engaged in construction work, manufacturing activity with small scale industry.

India's Unemployment Rate

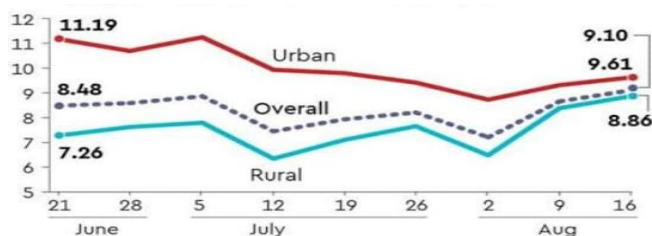


Figure 3.1 Jobless: Unemployment Rate (as at the end of week, %)

(Source : CMIE)

IV CHHATTISGARH GOVERNMENT EFFORTS TO MINIMIZE THE SITUATION

During the lockdown industrial activities in the country have been shut and economic condition of the country has been badly affected. The nationwide unemployment rate is also increasing. But even in this pandemic period Chhattisgarh has been showing positive sign. The unemployment rate of the state has reduced. Chhattisgarh is leading in the country and hold top position in terms of providing employment to 24% villagers is under MANREGA in Chhattisgarh. The state has provided employment to 18, 51,536 workers to 9,883 sites in Gram panchayats. Mean while Government also give special attention to agriculture and allied activities during the lockdown period. Under the crop insurance and Pradhan Mantri Kisan Yojana an amount of Rs. 900 crore has been transferred to beneficiaries account. Chhattisgarh Government has also purchased the highest value of minor forest produce across the country at minimum support price, which is a considerable relief to forest produce collectors as it purchase 31 forest produces from them. Chhattisgarh has achieved 66% of the target of generating employment. State Government decided to serve food, mid day meal to school children in the form of dry ration even when the schools are closed. According to Chhattisgarh top survey score 95% in mid day meal during Covid crisis. Not only for children state Government also given 35 kilogram rice free to people for 3 months which was again extended. RBI Governor Shaktikanta Das has also appreciated Chhattisgarh Government and said in his report that Chhattisgarh is leading in sowing of kharif crops and other agricultural activities despite of adverse conditions during the nationwide lockdown. Chhattisgarh has experienced accelerate economic growth.

V CONCLUSION

All of sudden the period of pandemic came across the world which has affect the life of people and made a higher impact on economical growth in organized and unorganized sectors of economy. The recession caused by the pandemic situation expected to leave along term adverse impact on economy. The research of state bank of India assumes reduction of approximately 40% in GDP in 1st Quarter of financial year 2020-21. This pandemic situation result showed the loss of employment and unfavorable growth in economic frame. An estimate of job loss showed that approximately 80% jobs were affected by this situation. To get up from the negative impact of Covid-19, proper planning is required to minimize the recession period. For

this visionary planning and decisions taken up by the Chhattisgarh state Government had added momentum to industrial and agricultural activities in the state which enhance the employment opportunities in unorganized sectors and Central Government also appreciated state Government for effective steps taken by them.

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