

A Pragmatic Study of Impact of Covid-19 on Employability

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Abstract— The outbreak of Covid-19 on employability is a serious issue we need to draw attention towards it as everyone is talking about the health and safety yes it is important but along with this, we need to think that what is going on the economic area of the country. The countries are revising their policy so that they can handle their economy from recession but a lockdown of more than a month is taking the economy towards recession and the employability of the labours and other sector is at the risk and here we are going to discuss that. The steps were taken by the government and the steps they should take to recover the economy and how the marginalized sector can be benefited.

Keywords— Recession, Marginalised sector, Lockdown, Liquidity crunch, Realty.

I. INTRODUCTION

The coronavirus outbreak came to light on December 31, 2019. The virus has been named SARS-CoV-2 and the disease is now called COVID-19. Most of the countries whether it is developed or developing are suffering from this pandemic. In this paper, we are discussing the Effects of COVID-19 on employment. Sectors such as food and accommodation, retail and wholesale, business services and construction, manufacturing have experienced drastic effects with falling production and losses in employment. The International Labour Organization (ILO) estimated that globally more than 25 million jobs would be threatened due to the spread of coronavirus. The casual workers are the most vulnerable due to the irregular nature of their work and daily-wage payment. In IT industries most of the people are working from home and it is estimated that there will be less or even no recruitments for the coming year.

II. EFFECTS OF UNEMPLOYABILITY

The sudden emergence of the COVID-19 pandemic is dealing a severe blow to state economies, businesses and workers. First and foremost, states are strengthening their health care capacity if demand for medical services surge. Ensuring there are enough licensed health care professionals is a key component in this preparation.

The labours are badly hit as they are not having paid sick leave that led to the migration of workers the government should provide the proper supply of essential materials as well as a council the workers so that they do not move. The major liquidity crunch has arisen as well as the world economies are leading towards recession. World economies are facing healthcare shortage, pharmacy shortage. According to the experts the 5 major sectors that are badly affected by this COVID are:

1. Automobile sector
2. Financial sector
3. Retail
4. Tourism & Aviation

5. Realty

A. Federal Responses

Federal legislation addressing unemployment insurance benefits, paid leave and economic stimulus is currently making its way through Congress. The various policy is introduced by the government to boost the economy where MSME (Micro, Small, Medium Enterprises), Agriculture sector, Manufacturing Sector, Technology, Healthcare, Pharmacy Sector are being focused. Major reforms are being introduced in Tariff, Atomic energy, Mineral Sector, Infrastructure and many more

The sectors for uptick:-

1. Healthcare Sector
2. Pharmacy Sector
3. Technology
4. Manufacturing Sector
5. Chemical Industry
6. Digital and Internet Economy

B. World And The Recession

The Major world Economy is going to recession as there is no economic activity being conducted the only solution of COVID is social Distancing which leads the economies to the recession. New laws and reforms are needed to recover from the recession the major reforms are to limit the Foreign Direct Investment so that major economies cannot dominate the small economies. Self-sufficiency should be the aim of the countries because no country is in a position to support other economies. Technology should be focused so that the economies can fight the disease with much better efficiency. Agriculture should be promoted so that hunger does not strike the country.

To overcome we should go with the cashless transaction as the liquidity crunch struck the economy. Major changes in the repo rate and reverse repo rate should be created according to the economy. As well we can assume that the remittances are going to decrease so the economy should take appropriate steps to recover. The borrowing amount of states should be increased as from 3% of the GDP of the state now reaches to

5% of the GDP of the state. This is an appreciable step taken by the central government with this step the burden of state can be reduced.

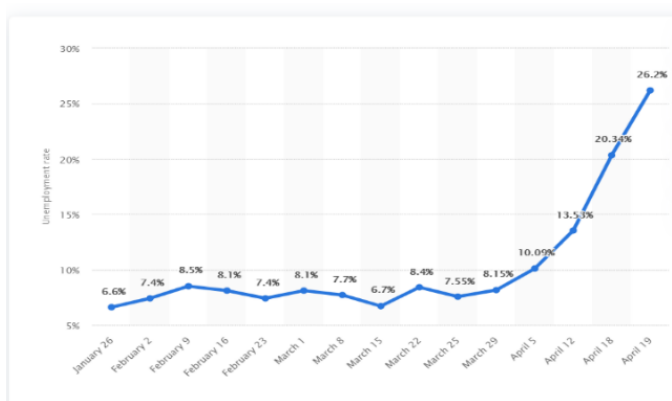


Fig. 1. Unemployment rate due to COVID-19

The Unemployment is increasing at an alarming rate due to economy issue need of the hour is to handle the situation, the government should introduce some policies that can increase employability and some reduction in tax should be given to citizen if the funds of the government are decreasing that should be barred by the government because the most important part of the economy is business. The unwanted expenditure of government should be avoided as well the foreign visits of executives should be terminated with a few amount of deduction in the salary of these executives.

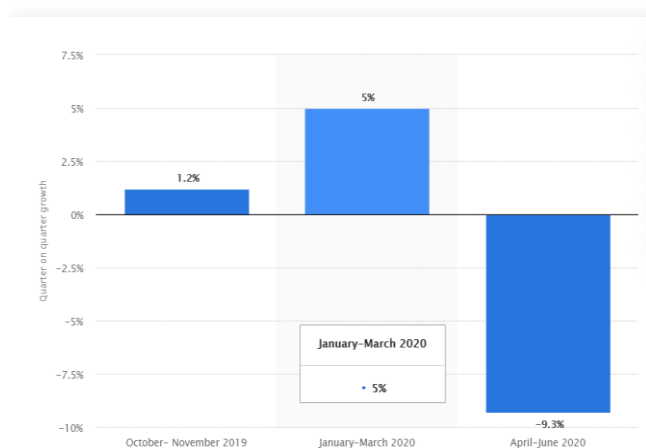
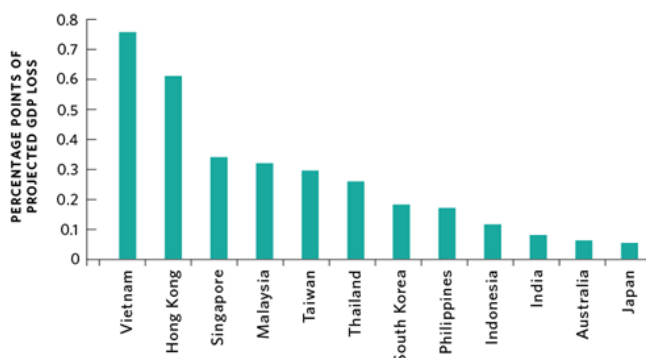


Fig. 2. Estimation of India's Economy Due to Covid-19

The Projected Economic Impact of the Coronavirus



SOURCES: CEIC, UNCTD, Natixis

NOTE: This figure assumes that 20 percent of Chinese manufacturing capacity will be closed for one quarter.

Fig. 3. The Impact of coronavirus on different economies

III. CONCLUSION

The Economies can be recovered from the recession if we take appropriate steps, the repo rate and reverse repo rate change policy will help to increase liquidity crunches. The imports should be reduced and exports should increase. More money should be infused in Government Schemes so that the Marginalised sector of the society can be benefited if the Marginalised sector is being benefitted then the economies can be in a better position. The finance should be provided by the government so that the MSMEs can infuse a particular amount of capital to their companies. Every sector of society needs to be taken care of including casual workers. Proper counselling should be given to students and labour so that they can recover from depressions as well as the morals should be maintained because morals are the one that is meant to be tested at the hard times only.

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