

ONE OUT OF FIVE IN INFORMAL SECTOR ARE OUT OF WORK POST LOCKDOWN

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Almost one out of every five workers in the informal sector are either out of labour market or remain unemployed, said a new survey by the Azim Premji University for the post-lockdown October-December period found.

The survey showed that while 3% were unemployed and 4% more were out of the labour market in the pre-lockdown period (February), during the lockdown, 61% were unemployed and 10% were out of the labour market. And if one compares that with the post-lockdown period, at least 11% are still out of the labour market and 8% are unemployed.

"Given that the sample is an informal sample coming from the more vulnerable households, where employment should be the default status, 19% is a huge number," the survey conducted by APU with support from six social organizations underlined.

"More than two-thirds (69%) of those employed in February had lost work during the lockdown. Six months later, nearly 20% were still out of work, i.e. they did not find even one day of work in the month preceding the survey," it said.

The survey takes an informal worker as employed if he or she has done work even one day in the previous month. It means the estimate of being unemployed or out of the labour market is highly conservative.

The survey said employment recovery has been uneven and urban India lags behind in the recovery. It said while 27% in urban India are still out of work, the number was 14% in rural India during October-December.

The survey said even six months after the lockdown ended, the economy was yet to recover entirely from the covid shock. While one-fifth of those employed before the lockdown are still without work, women have fared worse than men.

"Earnings have recovered for those who are back to work, but the situation is distressing for those who could not find work," said the survey led by APU professor Amit Basole and advocated that "a continued expanded allocation for MGNREGA, as well as the introduction of an urban employment scheme in the upcoming budget are crucial for addressing this livelihood crisis".

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