

The Massive Impact of the pandemic on unemployment

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Abstract: To stop the Coronavirus from spreading, India went under lockdown in March 2020. Numerous people lost their jobs due to the ongoing office closures caused by the lockdown. Employment and wages are severely impacted by the COVID-19 pandemic, both in India and worldwide. Due to this, economic activity was significantly affected, which also raised the unemployment rate. This paper reviews the Impact of Covid-19 on rising unemployment. The study employed factor analysis to test the proposed framework. This research additionally recognized that due to increased unemployment during COVID-19, the comprehensive Indian economic system has deteriorated. Furthermore, now there is a need for the Government to do everything it can to stop this unemployment/job crisis from becoming a social problem.

Keywords: Coronavirus, Covid-19, Unemployment, Economy, Losses, Poverty, Inequality, Jobs, Livelihoods

1 Introduction

In December 2019, Covid-19 first came into existence in Wuhan, China. It has been announced as public health emergency within one month after the outbreak. It has been declared as a pandemic by WHO in March 2020. The COVID-19 epidemic has had a negative impact on the labor market globally, resulting in numerous job losses and business closures [4].

In a number of states, it was necessary to temporarily close a large number of services, including schools, gyms, and movie theatres. In addition, many of us are experiencing severe unemployment as a result of COVID-19[1] because our revenue has completely halted, and other businesses have fired their staff in order to avoid having to pay for the duration of the disease's presence in the nation [11]. Due to this, economic activity was significantly impacted, which also raised the unemployment rate. With the rising cases of the Coronavirus, India has taken third place in the world [5]

The COVID-19's impacts on employment have a catastrophic impact on the Indian economy and the employability of Indians. Managing such a situation will be a significant problem for the Government. It will negatively impact employees and businesses alike. COVID-19 is a

health and economic [5]. The government must act quickly to address the significant negative repercussions of COVID-19, which will set the economy back five years.

2. Review of Literature

[7] In response to the severe global unemployment problem brought on by the COVID-19 epidemic, a group of researchers in vocational psychology developed this study as their collective vision. The research agenda includes examining how this unemployment crisis differs from previous unemployment crises, examining the nature of the grief evoked by the simultaneous loss of work and loss of life, acknowledging and addressing the privilege of scholars [16].

[6], [8] The purpose of this study is to provide insight into how COVID-19 has affected Indian unemployment. 120 million people may be forced back into poverty as a result of COVID-19-induced economic disturbances, which might result in the loss of up to 135 million jobs. The harshest effects of COVID-19 will be seen by India's most vulnerable populations, who will lose their jobs, see their poverty levels rise, and have lower per capita incomes. This will cause the GDP to drop sharply. The policy package of the government addressing the depression brought on by COVID-19 was also highlighted in the research.

[9] This study aims to shed light on the COVID-19 pandemic's employment-related impacts. In our nation and around the world, the covid-19 pandemic has had an impact on numerous people's lives and means of subsistence. While all areas of the economy and the working population have suffered [13], individuals who are already at a disadvantage on the job market are more at risk due to their status as migrant workers[15], lower earnings, lower educational accomplishments etc.

[3] This study examines the impact of the ongoing coronavirus illness health crisis on employment, including its possible long-term effects as well as its breadth, restrictions, hurdles, and difficulties. This analysis also indicates that it will take some time for the global economy to recover from its job and economic problems.

[12] The immense unemployment brought on by the COVID-19 pandemic is examined in this article along with the existential loss, worry, and horror that it elicits. Enormous unemployment has characterize the nature of work throughout the COVID-19 crisis, leaving millions of people and families in a state of uncertainty and precarity [10]. This post has clarified the sensation of loss brought on by the unexpected and overwhelming rise in unemployment, underscoring the importance of work in human life. It will take a lot of work to rebuild societies following this crisis, as well as awareness of the wide range of losses that individuals are experiencing[14].

3 Objectives

1. To review the impact of COVID-19 on rising unemployment.
2. To understand the impact of unemployment on the overall Indian Economy.

4 Research Methodologies

This work aims to review the impact of Covid-19 on rising unemployment and job loss/livelihoods and to know its impact on the overall Indian economy[2]. To collect primary data from 129 respondents, a quantitative methodology-focused study was conducted, selecting only 106 responses. The online analysis was provided to respondents as a connection via Whatsapp and Gmail's message distribution software. The target respondents are very involved on both sides and thus find it very handy. The online survey connect was open for 15 days from 7 July 2022 to 22 July 2022. Responses received were 129 out of which 23 responses were biased. Therefore, only 106 responses were considered for analysis.

Table 1: Research Summary

Research Type	Descriptive Study
Geographical Coverage	India
Sampling Technique	Non-Probability Sampling, Convenience Sampling Techniques
Time Frame	April 22- July '22
Approach Type	Qualitative and Quantitative
Data Collection Tools	Google Forms will be distributed on WhatsApp and mails and questionnaire Surveys will be done.

A word cloud is a collection, or cluster, of words depicted in different sizes. The bigger and bolder the word appears, the more often it's mentioned within a given text and the more important it is. Based on the examined literature, 25 papers linked to the impact of Covid-19 on rising unemployment and job loss/livelihoods were evaluated using 'NVIVO' to represent the most commonly used keyword to test our study path. The outcome is presented below in the form of a word cloud summarized in Figure 1. This is our text mining and helped in establishing correlation between text and terms and gave qualitative analysis.

On the basis of Literature reviewed, twenty research papers related to the factors that have led to the rise in OTT Platforms were analysed using 'NVIVO Software' for visualising most frequently used keywords in order to check the direction of our research. The results are presented below in the form of a word cloud summarised in Fig 1.

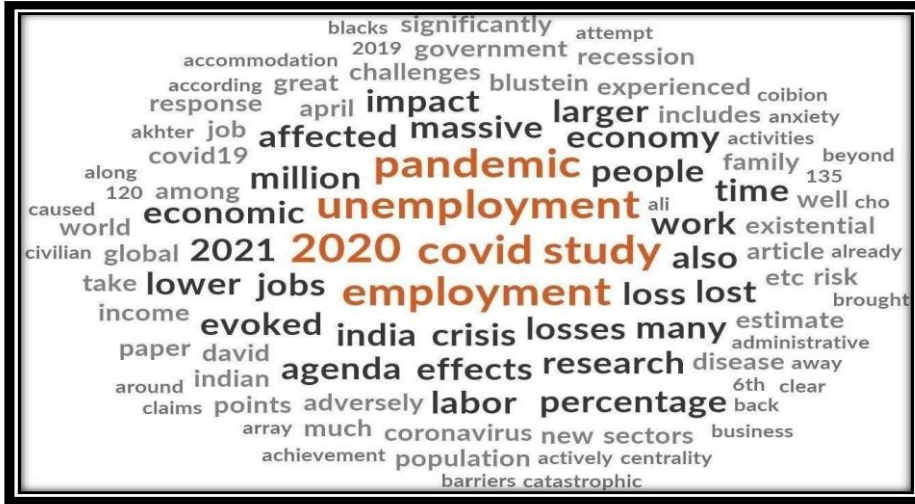


Fig 1. Word Cloud (Research output)

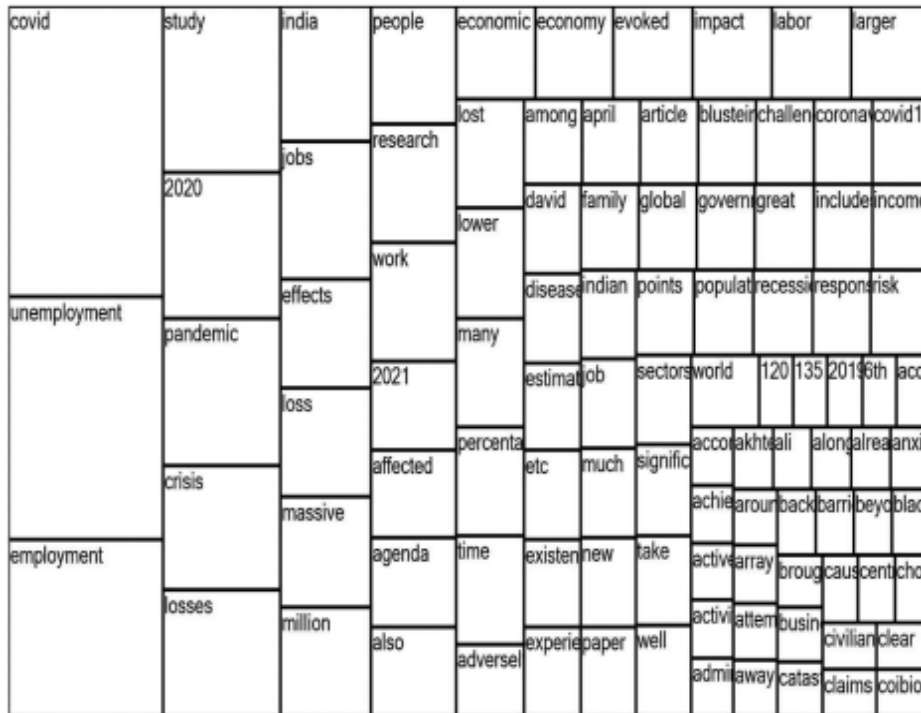


Fig 2. Tree Map (Research output)

5 Data Analysis and Results

The value outcome in Table 3 was 0.687, which is above the permitted limit of 0.5, according to the Kaiser Meyer Olkin measure, which confirmed the sample was adequate [6]. The degree of information among the variables clearly overlaps, as a result. Therefore, it is reasonable to perform factor analysis. A chi-square result of 131.335 at a p-value of 0.000 in the Barlett's Test of Sphericity suggested that factor analysis may be applied.

Table 2: Demographics Summarized

AGE				
Age	Frequency	Percent	Valid Percent	Cumulative Percent
18-25	60	57.1	57.1	57.1
25-35	21	20	20	77.1
35 and above	24	22.9	22.9	100
GENDER				
FEMALE	56	53.3	53.3	53.3
MALE	49	46.7	46.7	100
OCCUPATION				
Business	11	10.5	10.5	10.5
Home maker	9	8.6	8.6	19
Other	8	7.6	7.6	26.7
Valid				
Service	21	20	20	46.7
Student	56	53.3	53.3	100
Current Income Level (Monthly)				
10,000-30,000	45	42.9	42.9	42.9
30,000-50,000	24	22.9	22.9	65.7
50,000 or above	21	20	20	85.7
Below 10,000	15	14.3	14.3	100

Table 3: KMO and Bartlett's Test (Research output)

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.687
Bartlett's Test of Sphericity	Approx. Chi-Square	131.335
	Df	21
	Sig.	.000

Reliability: The reliability Score through Cronbach's Alpha was found out to be 0.595, which

is greater than the standard value of 0.7 as shown in Table 9. This shows that our questionnaire had reliable questions.

Table 4: Reliability Statistics (Research Output)

Cronbach's Alpha	N of Items
.895	7

Table 5: Rotated Component Matrix

Factor	Item Description	Communalities	Factor Loading
Adverse impact on Individual	High unemployment rates caused due to Covid-19 had resulted in increased poverty rates and also widens inequalities.	0.657	0.808
	Due to increased unemployment during Covid-19, the overall Indian economic system deteriorated.	0.562	0.745
	Covid-19-related unemployment had a detrimental effect on a person's physical and mental wellbeing.	0.501	0.699
	Global unemployment is at an extreme high due to the Covid-19 pandemic.	0.516	0.684
Education	Government intervention has helped in reducing unemployment rate and improving overall economic conditions more efficiently and effectively	0.593	0.757
	Urban job losses were greater than rural job losses.	0.582	0.708
	More employment were lost by those with lower family incomes and less education than by those with higher incomes and more education.	0.428	0.493

6 Conclusion

In conclusion, we recognized India has faced massive unemployment due to the COVID-19 outbreak. Most people work more hours than usual but get less pay than usual. People also experienced changes in their working situation since the COVID-19 outbreak. This survey shows that COVID-19 has caused high unemployment rates which resulted in increased poverty and also widens inequalities. This research additionally recognized that due to increased unemployment during COVID-19, the overall Indian economic system has deteriorated. In addition, it is now imperative that the government take all possible measures to prevent this unemployment/job crisis from developing into a social problem

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