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Covid 19 and Post Impact on the Earnings of Daily Wage Workers: A Study in the South Salmara Mankachar District of Assam

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Abstract

The corona virus pandemic has reached almost every country in the world. There is no way to tell exactly what the economic damage from the global coronavirus pandemic will be. The coronavirus pandemic is having a serious impact on the living conditions of the people who belong to the daily wage workers. Many people have lost their jobs or seen their income cut. Covid induced lockdown has severely impacted the lives and livelihoods of workers in the informal sector, especially daily wage earners. The pandemic had manifold impacts on migrants who depend on daily wages to survive and support their families. These migrants typically work as wage laborers in shops, eateries, factories, transport services and different business establishments. The shutdown of these industries due to the lockdown left migrants without any income, which made it difficult for them to pay for food or rent. Millions of job have been lost permanently and have dampened consumption. The pandemic has brought severe economic hardship especially to young individuals who are over represented in informal work. India has a large share of young people in its workforce and the pandemic has put them at heightened risk of long term unemployment. This has negative impact on lifelong earnings and employment prospects. (Machin and Manning 1999). The present paper aims to study the impact of covid 19 pandemic on the standard of living of the daily wage workers in South Salmara Mankachar district of Assam. This paper based on both primary data and secondary data collected from different published and unpublished sources and appropriate statistical tools and techniques will be employed for analysis.

Keywords: Covid 19, daily wage workers, pandemic, employment, informal sector, Assam

Introduction

The corona virus pandemic has reached almost every country in the world. There is no way to tell exactly what the economic damage from the global coronavirus pandemic will be. On March 11, 2020, the World Health Organization (WHO) characterized COVID-19 as a pandemic, pointing to over 3 million cases and 207,973 deaths in 213 countries and territories. The infection has not only become a public health crisis but has also affected the global economy. Significant economic impact has already occurred across the globe due to reduced productivity, loss of life, business closures, trade disruption, and decimation of the tourism industry.

On March 24, the Indian government ordered a complete national lockdown. The lockdown was announced without any notice. India was fast to close all its national, state borders and prescribed a succession of quarantine measures which was to be followed rigorously everywhere in India. Dime a dozen of workers, particularly migrants and daily wage workers were straightaway turned out to be unemployed as the lockdown was declared by the government. Not all workers had sufficient savings for food and other essential things. It only lasted for a very short period of time. Millions of daily wage and migrant workers got trapped in the fetters of poverty. The lives of migrant workers got miserable every

day. They did not have ration cards and proper income to access food aid and other essentials for survival. All of these triggered the migrant workers to go back to their villages on foot, travelling hundreds of kilometers which also caused death and other health issues. The imposition of social distancing, self-isolation at home, closure of institutions, industries, and public facilities, restrictions on mobility can conceivably prompt critical ramifications for economies around the globe, which affects the survival of the daily laborers.

The informal economy consists of independent, self-employed small-scale producers and distributors of goods and services. Informal or unorganized sectors are the ones where the employees or the workers do not have regular working hours and wages and are exempted from taxes. It is mainly concerned with the primary production of goods and services street vendor selling his farm products to generate and earn his daily bread is an example of an informal economy. Informal work include contract workers in restaurants and hotels, piece-rate workers in sweetshops, agricultural workers, casual labourers in construction which include masons, sanitary workers, carpenters, painters, those working in brick kilns etc.

A person who works for wages or the person who earns money to support a household by working is generally known as daily wage worker. A wage is monetary compensation paid by an employer to an employee in exchange for work done. Payment may be on the basis of measured quantity of work done, or at an hourly or daily rate. But the earnings of a daily wage earner are mainly based on the actual working days.

Corona virus is a pandemic disease that has affected everyone irrespective of religion, cast, occupations or community etc. The Corona virus pandemic is having a serious impact on the living conditions of the people who belong to the daily wage society. Due to the corona virus pandemic and lockdown, many people have lost their jobs, their means for bringing food to their families. In addition, the prices of groceries have gone up and there is a shortage of supplies. So, the people who belong to the daily wage society have been really struggling to maintain their essential diets. They are worried about how they are going to address their daily needs of food and medicine.

Profile of the Study Area

South Salmara Mankachar is one of the most backward districts of the state of Assam. This district was created by bifurcating old Dhubri district in 2016. On 15th August 2015 Assam's chief minister announced 5 new administrative districts in Assam; South Salmara Mankachar was among those. On 9th February 2016 Commissioner, Lower Assam and Central Assam Division, IAS inaugurated South Salmara Mankachar as an administrative district. The district headquarter is located at Hatsingimari town which is situated about 245 km from Guwahati. It shares its borders with Bangladesh in the west and Meghalaya in the south-east. The general topography of South Salmara Mankachar district is plain with patches of small hillocks like Bansali, Rangatari etc. all these are situated in the south-western part of the district. Mighty river Brahmaputra is flowing through this district from east to west with its tributaries.

Most people prefer to carry out daily wage jobs such as contract workers in restaurants and hotels, piece-rate workers in sweatshops, masons, sanitary workers, carpenters, painters, those working in brick kilns etc. The Lockdown period has affected the routine life of the daily wage workers and that is why they suffer a lot to live a normal life

Literature Review

Shanmughasundaram J (Apr 2020) City edition page talked about the lockdown could be a measure to prevent and control Covid-19. But in this process, people who depend on daily or weekly wages have not only lost their livelihoods, but are also struggling to make ends meet. Although the government has announced a subsidy of 1,000 and a basket of 15 kg of rice, 1 kg of dal and 1 kg of oil, the reality of the soil is grim. The state has made no effort to ensure that the employer pays the wages of its workforce during the closing period.

Ritu Kumar Ahmad ^[1], Mohammad Shakil Ahmad ^[2], Riyaz Ahamed Shaik ^[3] (May 2020) clarify in their research article titled "India's response to the COVID 19 pandemic and its impact on migrant workers: a public health perspective" that the blockade and the global COVID-19 pandemic has caused the destruction of millions of workers' lives. Therefore, the central government together with the state government must take comprehensive measures to take care of the lives of migrant workers and must urgently launch an appropriate aid package to prevent further deaths and inhuman suffering of millions of migrant workers. These welfare packages could

only be useful if migrant workers are counted as migrant workers, and thus creating digital profiles to provide migrants with identification documents would be the first step.

Problems of the Study Area

South Salmara Mankachar is one of the most backward district of Assam. Mostly the nature of work is agriculture, where farm crops are the main source of income. But due to poor irrigation and high technology, job opportunities are less in the agricultural sector. Therefore, most people prefer to carry out daily wage jobs such as Hamali/Cleaning Jobs, Hotel Work, Tiffin Mini Center and Tea Stand, Street Vending, Tailoring Work, Supermarkets and Retail Stores. The Lockdown period has affected the routine life of the Daily Wage Workers and that is why they suffer a lot to live a normal life.

Objectives of the study

The objectives of the study are-

- i). To understand the challenges encountered by the daily wages workers during the lockdown enforced by the government.
- ii). To assess how daily-wage workers and their households were impacted due to COVID19 pandemic during lockdown and thereafter.

Research Methodology

This research work deals with daily wages workers. The Universe of the study is informal sector daily wage workers in District. In order to accomplish the objectives, researcher has used unstructured interview schedule as a means of primary data collection. Data was collected using the simple random sampling method. The Sampling units covered all the daily wage workers from: agriculture, masons, housekeeping, hotel workers, two-Wheeler & four-Wheeler mechanic, painter, carpenter, workers in sweetshops, weight lifting in market place and others. Most of these daily wage earners come from villages and backward areas of the towns. They work on temporary basis and feel job insecurity because they are aware that they can be removed from their appointments any time. Sample sizes of 160 responses are collected from the daily wage workers. The secondary information collected from some journals and web portals related to the study. The collected data is tabulated, analyzed and interpreted using the simple percentage method.

Analysis and Discussion

There is a major impact of covid-19 lockdown on the daily wage workers and they are facing lot of Challenges to get their livelihood. When interviewed the respondents express the challenges faced by them are as follows:

Table 1: Challenges faced by daily wages worker under informal sector

Sl. No.	Challenges they have faced	Respondents	Percentage
1	Loss of income	132	82.5%
2	Scarcity of work	145	90.62%
3	Decline in wages	125	78.12%
4	Increase Expenses and borrowings	147	91.87%
5	Increased health risk	122	76.25%
Total		160	100%

Source: Field Survey

Table-shows that 82.5% respondents stated that they have lost their income due to the imposition curfew-style lockdown. They have lost their employment opportunities during the period of lockdown. They stated that construction projects had been temporarily stopped and repair work was indefinitely postponed during the lockdown. They noted that the ongoing MGNREGA work also stopped due to lockdown. Therefore, they have lost their source of income.

Again 90.62% respondents stated that they have faced the problem of a severe crisis of employment opportunities since the time of Covid-19 and the lockdown. Even after lockdown, due to lack of demand or funds for the small-and medium-scale owners to resume work at the same scale and with limited repair work and construction projects being undertaken by the private builders. They stated that getting work for even two days in a week is difficult for them.

In addition, 78.12% respondents reported that decline in wages is another challenges faced by daily wages worker during this period. During this period many employers decreased their staff or shutdown their workplace due to financial issue. The respondents stated that they have to work for longer hours without additional payment and their employers often threatened to replace them with someone willing to work for lesser wages. As a result many hopeless workers have no choice but to accept. It is also observed that during this period due to economic slowdown communities, who had lost their primary jobs, were increasingly turning towards informal work. As a result there was high competition for work which in turn lowered wages.

They also noted that due to the lockdown, agri and livestock businesses were unable to travel and sell their product in the market. As a result the owners of the firm where they worked were either not paid any wages or a reduction in their wages.

Again 91.87% respondents stated that increase in expenditure and borrowing is another major issue they have faced during the corona pandemic. They stated that increase in prices of necessary commodities during this period could have possible implications on household expenses. They also reported that their expenses on medical needs and items such as masks, sanitizers, etc., which have become a part of the basic needs of their households also contributed to increase their household expenses.

Finally, 76.25% respondents stated that increased health risk since the COVID-19 pandemic started is also a challenge they have faced. Informal workers are often not provided with the proper tools or safety equipment since their terms of employment which made the workers fear for their safety. Due to outbreak of COVID-19 pandemic health risks have further increased. They stated that several of their co-workers and customers did not seem to follow COVID-19 protection measures such as social distancing, wearing masks, etc. therefore they were afraid to go out for work due to risks related to COVID-19.

Impact of COVID-19 on the Economic Situation of Households

The COVID-19 pandemic has manifold impacts on daily wage workers who depend on daily wages to survive and support their families. Unemployment and increased competition for available work, insufficient daily wages, and limited livelihood opportunities caused an overall income loss for daily wage workers after March 2020. Reductions in income levels lead them to change their expenditures and spending habits and generally lower the living standards of households.

An overall increase in prices of several food and non-food items since the start of the pandemic could have possible implications on the expenses of all households. Loss of income after the pandemic started, compounded by increase in prices of necessary items in markets may have a negative impact on their households' overall economic situation. It is observed that to cover their increase household expenses they took debts. They noted that they borrowed money from friends or relatives or moneylenders, while some noted that they bought goods on credit from shops and market.

Daily-wage workers with low incomes took their kids out of school, because due to COVID-19 pandemic schools shut and classes went online. In absence of a smart phone they couldn't educate their children. It is also observed that they also psychologically impacted due to COVID-19 pandemic. They also reported that they suffered from depression due to loss of income and seclusion during their period. There was an increase in stress and anxiety among households during the period of government-imposed lockdown as working in daily-wage jobs is the only way to provide for their households.

Most agricultural labourers responded that they have lost their daily wage work as no work is being done on the fields, nor is any contractual job available as an alternative. The ongoing MGNREGA work stopped due to lockdown. Small local level works like laying Morum/Stone chips on road and water harvesting structures has been stopped leading to loss of income. As a result there is a huge deficit of instant cash for purchasing of goods for daily needs.

Findings of the Study

Based on the Data Analysis the following are the major findings of the Study:

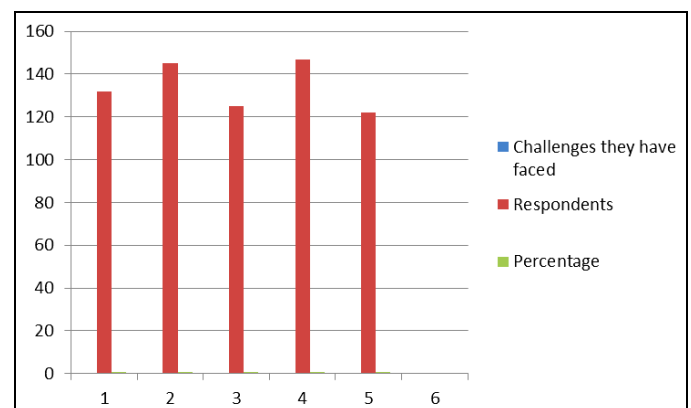


Fig 1: Findings of the Study

- 82.5% of the respondents stated that they have lost their income since the time of COVID19 and government imposed lockdown.
- 90.62% respondents stated that they have faced the problem of a severe crisis of employment opportunities during and after the period of lockdown.
- 78.12% respondents reported that decline in wages is another challenges they have faced during the corona pandemic.
- 91.87% respondents stated that increase in expenditure and borrowing is one of the major issues they have faced during this period.
- 76.25% respondents stated that increased health risk is also a challenge they have faced since the COVID-19 pandemic started.

Conclusion

From the study it is observed that informal workers were disproportionately impacted by COVID-19. The study provided several important insights into how daily-wage workers and their households were impacted due to the COVID-19 pandemic and its related developments. Participants noted that government-imposed lockdown and movement restrictions had resulted in loss of income. Moreover, participants noted that there was an increase in the number of people who seek daily-wage work after COVID-19. They noted that people, who had lost their primary jobs due to the economic slowdown during this period, were increasingly turning towards informal work. It results in high competition across all sectors and lower wages. Participants also reported that due to the negative impact of COVID-19, their households were unable to cover their basic needs and often taking debt and reducing expenditures on necessary needs.

The impact of Covid-19 on day-to-day workers is the correct argument from the researcher's point of view during the lockdown period due to the covid-19 virus outbreak. Salaried workers usually face many problems such as irregular work and unbalanced wage structure. If there is a climate change (weather conditions), some work such as bricklayers may not be done for construction work; Some exclusive people who go to work such as housekeeping, tailoring, hawking, woodworking, plumbing, and painting, may not earn an income if they suddenly fall ill or face other family problems. In all these unavoidable critical conditions, day workers swim against the tide and live their lives. But unexpectedly, the surprising death of new lives and the pandemic death of Covid-19 has completely closed the lives of people without work, without income, without food, without security and without drugs and has generated a problem of social, psychological and emotional trauma.

Therefore, the government, local authorities, volunteer teams and non-governmental organizations should step forward and take immediate action to save people from starvation first and then save them from the Covid-19 virus.

Limitations of the Study

- Although there are many daily wage workers living in South Salmara Mankachar District only 160 samples could be collected during the lockdown period.
- The data relates only to the population of the South Salmara Mankachar region. Therefore, it will not refer to any part of the other regions.

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