

MIGRATION, REVERSE MIGRATION, EMPLOYMENT AND UNEMPLOYMENT CRISES DURING THE FIRST WAVE OF COVID-19 PANDEMIC IN INDIA

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Abstract

This paper examines the nature and extent of crises of reverse migration, employment and unemployment due to the Covid-19 pandemic. It began by examining the level and trend of migration to understand the labour mobility in particular in India before the pandemic. The impact of the pandemic was severe for the migrant workers as they returned to their home states due to a sudden job loss. Reverse migrant workers constituted about one per cent of India's population. The size of the population does not necessarily have a positive association with the rate of reverse migration across the states/UTs. Largely the pandemic and partly the reverse migration have caused the labour market crisis both from the demand and supply of labour aspects. The labour force participation rate and employment had considerably shrunk while the unemployment rate had significantly amplified particularly during the peak of the lockdown in the first wave of the pandemic.

Keywords: Reverse migration, employment, unemployment, crisis, Covid-19, India.

Introduction

In India, 46 million (3.8%) of the 1.21 billion people were migrant workers (Registrar General of India, 2011). Internal migration was significant and increasing before the outbreak of the Covid-19 pandemic. Suddenly the nature of migration had changed to return or reverse migration that included both voluntary return and forced return migration due to the pandemic. For internal migration, return migration is the movement of persons returning to their place of habitual residence after having moved away from it (International Organization for Migration, 2019). The course of migration has also changed to reverse migration that became a crucial issue for migration policy formulation. Lockdown and travel restrictions as a measure to prevent the spread of the pandemic had induced reverse migration among migrant workers (Ministry of Health and Family Welfare, 2020a). The pandemic had increasingly resulted in job losses that risk losing livelihoods (International Labour Organization, 2020) and income loss, health-care insecurity and uncertainty of employment (World Health Organization, 2020; Ratha, 2020). The World Bank (2020a) has observed that economic uncertainty induced by the pandemic crisis is immense for the migrants due to lockdowns, travel bans, and social distancing that have brought global economic activities to a near standstill. Lockdowns, loss of employment and social distancing prompted a chaotic and painful process of mass return for internal migrants in India and many other countries. In India, many migrant workers were rendered jobless due to the lockdown to prevent the spread of the pandemic (The Hindu, 2020). As a result, people, especially the migrant workers, had faced economic hardships affecting their livelihoods. Lockdown measures to contain the spread of the pandemic had economically affected the unskilled and semi-skilled migrant workers the most (Dandekar

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and Ghai, 2020). It appears to be true as they were predominantly engaged in the informal sector where there is no job security because of the nature of work without any job contractual agreement with the employer.

As a result, in India, the labour force participation rate (LFPR) fell as employment contracted while unemployment rates increased as the pandemic-induced job losers re-entered the labour market to regain their job or find a new job amidst the pandemic. This was true for both males and females in rural as well as urban areas. During the first wave of the Covid-19 pandemic, the migration crisis was due to the large number of panicking migrants suddenly attempting to return to their place of origin mainly due to the closure of establishments, retrenchment of the workforce and economic hardship. The flow of migration as reverse migration caused by the pandemic is considered a migration crisis in this paper. The reverse migrants were expected to receive livelihood support from their families in particular at the origin. The reverse migration flow had led to labour scarcity in the origin of reverse migration (i.e. previous out-migration destination) and severe unemployment problems at the reverse migration destination (i.e. native state). Concurrently, India was facing a labour market crisis arising both from the demand side due to the economic slowdown and employment contraction; and from the supply side owing to the high prevalence of unemployment as a result of job loss induced by the pandemic.

The primary objective of the paper is to examine the extent of migration, particularly reverse migration, and labour market crises in recent times with a special contextualisation to the period of the first wave of the Covid-19 pandemic in India. For this, various secondary data sources such as the Registrar General of India (Census), the Centre for Monitoring Indian Economy (CMIE), the National Sample Survey Office (NSSO), World Bank, the Economic Survey and various published data were used.

Mobility in India

The pull and push theory of migration is very much pertinent in the present pandemic-induced reverse migration. Dorigo and Tobler (1983) opined that the push factors are those life situations that give one reason to be dissatisfied with one's present locale; the pull factors are those attributes of distant places that make them appear appealing; thereby the push and pull factors are structurally intertwined. In India, undoubtedly during the pre-Covid-19 situation, the growth of new employment opportunities in a few big cities attracted migrant workers from various states having severe unemployment problems. Thus, similar to Harris and Todaro (1970), urban areas having better job opportunities or higher wages pulled the migrants from the states having surplus labour and low wage.

Usually, the magnitude of migration is largely determined by the difference in the level of social and economic development and related opportunities at the origin and destination. Moreover, migration decision is associated with the level of education and income (Jewell and Molina, 2009; Melzer, 2013). Harris and Todaro (1970) suggested that persons with higher levels of human capital tend to migrate for employment. Generally, people tend to migrate for maximum individual satisfaction to obtain better jobs, wages, security or the environment (Santhapparaj, 1996). However, the pandemic has altered the determinants towards physical and mental health such as economic sustenance and security, health security, and fear psychosis among others. Indeed, migrants migrated to maximise their

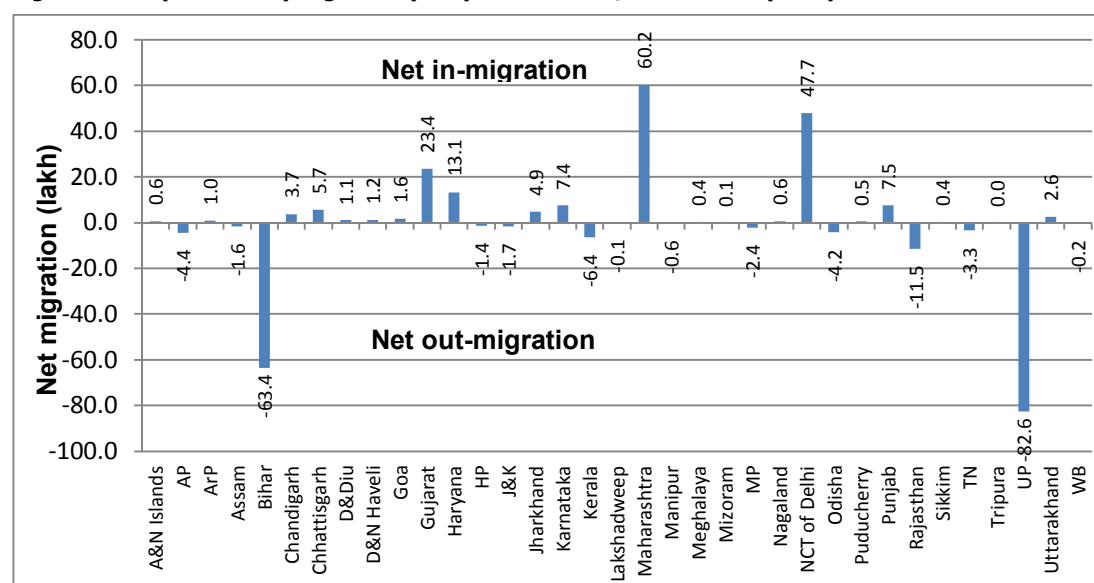
social and economic welfare as suggested by Faggian and McCann (2006) during the pandemic back to their home state.

In India, people are increasingly becoming more mobile as the internal migration level has considerably increased from 31.45 crores in 2001 to 45.36 crores in 2011, growing at the rate of 3.7% per year during 2001-2011. If migration continues to grow at this rate, then by 2021, India may record over 65 crore migrants. During 2001-2011, the decadal growth rate of migrants was 44% that implies migration was very rapid in India. Expectedly, migration growth was more significant to urban destinations with a 75% growth rate when compared to rural destinations of 29%. Further, the growth rate of migrants from urban origin was more considerable (104%) than the rural origin (36%). It signifies that the migration trajectory in India was increasingly urban-centric and urban migration was more rapid. Migrants increasingly prefer to migrate to urban areas because of better availability of job opportunities, higher wages, infrastructure, social security, social equity, etc. On the other hand, migrants left rural areas due to deteriorating employment opportunities and the prevailing low wage rate. Hence, job opportunities and wage differentials are the primary reasons for urban migration as suggested by Harris and Todaro (1970). Additionally, an increase in the urban minimum wage caused migration from the rural areas (Bhatia, 1979).

The mobility of the population has increased substantially as the ratio between migrants and population has increased from 30.6% in 2001 to 37.5% in 2011. This is attributed to the factors such as improvement in connectivity and transportation system, access to labour market information, chain migration through social networks, and income growth among others. The tendency to migrate towards urban areas was increasingly and visibly high as about half (48.4% in 2011) of urban people were migrants when compared to the 2001 figure of 36.4%. The mobility of rural people has also increased marginally as the ratio improved from 28.3% in 2001 to 32.5% in 2011. Migration to rural or urban areas also depends upon the connectivity and accessibility systems, affordability of transport facilities, and prevalence of higher wages in urban areas.

Among the states of India, as shown in Figure 1, Maharashtra received more inter-state migrants than it sent to other states as its net migration (in-migrants less than out-migrants) was 60 lakh, followed by Delhi and Gujarat showing the people of these states had lesser tendency to migrate. Conversely, Uttar Pradesh topped the rank for out-migration as its net migration was -83 lakh, followed by Bihar, Rajasthan and Kerala. These states sent more migrant populations than they had received. It indicates that the mobility of population was highest for these states in India. Consequently, during the Covid-19 pandemic, the extent of return migration was more intense in these states. As per Mathew (2020), in the beginning of the second week of June 2020, during the peak of lockdown due to the pandemic, more than 67 lakh migrants returned to six major states from the urban centres of India. Of them, the migrants who have returned to their native state was recorded highest for Bihar (35%), followed by UP (26%).

Figure 1: Net (inter-state) Migration (lakh) in the States/UTs of India (2011)



Source: Author's calculation based on RGCCI (2011).

In India, females continue to be relatively more mobile than males as 69% of the total migrants in 2011 (70% in 2001) were females. This was largely due to a social reason, namely marriage. Moreover, migrants mostly originated from rural areas with a share of 74.9% in 2011, which had declined from 81.8% in 2001; and the rest, about 25% of the migrants originated from urban areas in 2011 against 18% in 2001. Three in every four migrants originated from rural areas. It has a great implication for the pandemic-induced reverse migration that most of the reverse migrants were expected to have returned to rural areas. Conversely, the mobility of urban people has substantially increased perhaps owing to the forward migration.

The distribution of streams of migration for migrants in India is presented in Table 1. Rural to rural migration was still predominant in the trajectory of migration; however, migration towards rural areas had declined from 2001 to 2011. Migration to urban areas from both rural and urban areas had steadily increased. A similar trend was noticed for urban to rural migration. The increase in urban-to-urban migration is significant at six percentage points.

Table 1: Distribution (%) of Streams of Migration for Migrants* by Gender, India

Migration stream	2001			2011		
	Persons	Males	Females	Persons	Males	Females
Rural-Rural	55.2	28.9	66.3	49.8	30.0	58.7
Urban-Rural	4.2	4.9	3.8	5.3	6.2	4.8
Rural-Urban	16.9	27.0	12.6	18.2	26.7	14.4
Urban-Urban	11.9	18.1	9.2	17.5	25.5	13.9

Notes: *Place of last residence (POLR). Excludes a migrant whose POLR was unclassifiable as 'Rural' or 'Urban'.

Duration of migration is all durations of residence. Total figures may not sum up to 100.

Source: Author's calculation based on RGCCI (2001 & 2011).

Unlike migration from rural to rural mostly for marriage, the rapid urban migration was due to greater wage employment opportunities in urban areas and the rural-urban wage differential. Rural-to-urban migration will continue so long as the expected urban real income exceeds rural real agricultural income as suggested by Harris and Todaro (1970). As per NSSO (2014), regular wage/salaried (RWS) employment prevalence was higher in urban than rural areas. The share of RWS workers (principal status and subsidiary status or PS+SS) continued to remain much higher in urban than in rural areas; but showed some improvement in rural areas. Wage differences attract migrants particularly from rural areas where employment is predominantly agriculture. In India, wage remains higher in urban than in rural areas. The daily earnings of RWS employees (15-59 years of age) were Rs.449.65 in urban areas when compared to Rs.298.96 in rural areas. It has substantially and consistently increased over the years. Irrespective of educational level, the daily wage was much higher in urban areas. For example, the daily wage for RWS employees of graduate and above qualification was higher by 48% in urban (Rs.760.06) than their rural counterparts (Rs.513.54).

Labour is one of the key reasons for migrants. It primarily includes skill and unskilled labour and seasonal workers. Total migration for employment has increased insignificantly as shown in Table 2. This increase is due to the inclusion of migrants whose POLR was unclassifiable as rural or urban areas. Conversely, rural-rural, urban-rural, rural-urban and urban-urban migration for employment have declined due to the decline for males. It may be due to the improvement of employment opportunities at origin, shrinking job opportunities at destination or inability to obtain their expected jobs. Males predominantly migrated for employment particularly towards urban areas whereas females for marriage.

The mobility of females for employment has slightly improved particularly for rural-urban and urban-urban migration. It portrays the demand for female workers in urban areas that are associated with the feminisation of the workforce. Additionally, societies or females became more liberal and flexible to participate in work. This may further be promoted to establish gender equality in economic pursuit and work participation for women for emancipation.

Table 2: Share (%) of Migrants for Work/Employment in the Total Migrants by Gender and Stream, India

Gender	Total-Total*		Rural-Rural		Urban-Rural		Rural-Urban		Urban-Urban	
	2001	2011	2001	2011	2001	2011	2001	2011	2001	2011
Person	9.5	10.2	4.5	4.2	9.8	7.0	25.9	23.7	17.4	16.0
Male	28.1	27.7	22.9	16.9	23.3	15.1	50.3	46.5	34.5	30.2
Female	1.7	2.4	1.1	1.3	2.5	2.2	3.7	4.6	3.1	4.2

Notes: * Includes migrants whose POLR was unclassifiable as 'Rural' or 'Urban'. Duration of migration is 'all durations of residence' including 'unspecified duration'.

Source: Author's calculation based on RGCCI (2001 & 2011).

Reverse Migration Crisis

During the Covid-19 pandemic, India had experienced a migration crisis that was unprecedented in recent times. The sudden lockdown measures to contain the pandemic had resulted in reverse migration because of economic hardship and insecurity. Also the pandemic had hindered economically vital migration (World Economic Forum, 2020). During the pandemic, migration became a crisis because of lack of adequate government policies and measures to control and bring back the migrants to their origin effortlessly. Governments at the Centre and states hurriedly formulated policies, packages and schemes for the migrants particularly who wished to return to their place of origin. So the governments faced many hiccups at the beginning in managing to move the migrants to their homes. Despite this, the government managed to provide food, shelter, transportation and other immediate necessities to the migrants that need to be applauded.

The crisis of migration originated from forced migration due to the Covid-19. Forced migration is also caused by conflict, fragility, famine, flood and other factors. The pandemic-induced flow of reverse migration is dubbed a crisis primarily due to the lack of policy measures and solutions for migrants in general and migrant workers in particular during disaster or otherwise.

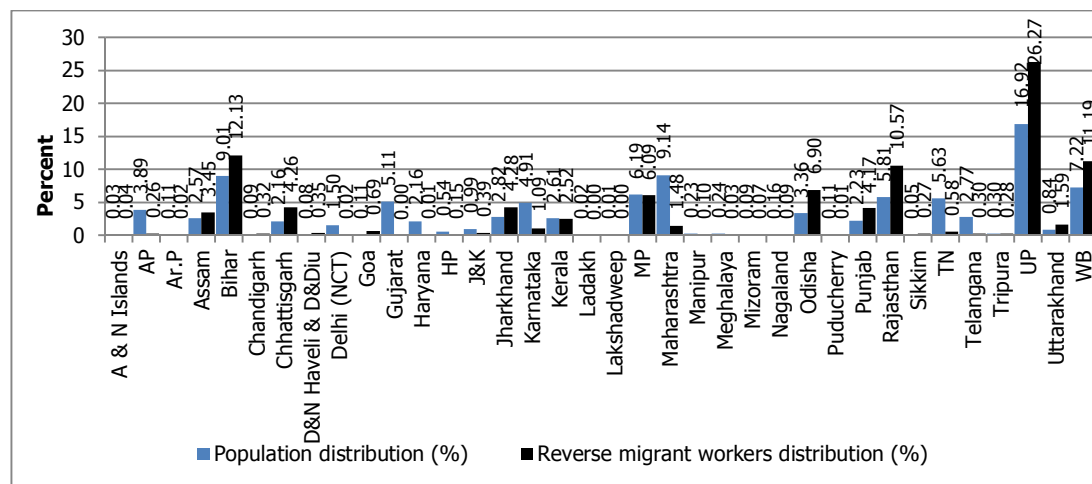
The pandemic crisis has amplified the extent of the flow of reverse migration to their native place. As many as 67 lakh migrants returned to six states in India by early June 2020 (Mathew, 2020). According to the Ministry of Labour and Employment, by mid-September 2020, more than 1.04 crore migrants returned to their home states (Nath, 2020). However, the size and distribution of reverse migration of the state/UT does not necessarily depend on or correspond to the size of its population (Figure 2). For example, the share of population of UP and Bihar was 17% and nine per cent respectively while the share of reverse migrant workers was 26% and 12% in India in 2020. Whereas, Maharashtra and Karnataka contributed nine per cent and five per cent respectively to the total population of India but it constituted only one per cent each of the reverse migrant workers of the country.

Additionally, it is not always necessary that states having a larger population (Figure 2) will have a bigger value of net migration (Figure 1). For example, the share of population of Maharashtra is 9% or Delhi is 1.5% in India but the net in-migration is 60.2 lakh in Maharashtra and 47.7 lakh in Delhi. Similarly, the populations of UP and Bihar are big and their net out-migration values are big. However, though the populations of WB or MP are big, their net out-migration values are very small.

In August 2021, the Ministry of Labour and Employment released the data of migrant workers that said by June 2020 as many as 1.24 crore migrant workers had returned to their home states. It constituted 0.91% of India's population in the year 2020 as shown in Figure 3. The intensity of the problem of reverse migration caused by the first wave of the Covid-19 pandemic was relatively greater or lesser in the states/UTs where the rate of reverse migrant workers (i.e. the ratio between reverse migrant workers and population) was high or low. In 2020, as shown in Figure 3, the rate was highest in relatively smaller states /UTs of India like Goa. It was followed by Sikkim, Dadra & Nagar Haveli and Daman & Diu, Chandigarh, etc. The rate was below one per cent in most of the states and UTs of the country. It was negligible in some states/UTs. As a result, labour supply shortage was evident in some

states. Reverse migration may have pushed up the wage rate in some sectors like construction or service where work cannot be ceased due to the shortage of labour.

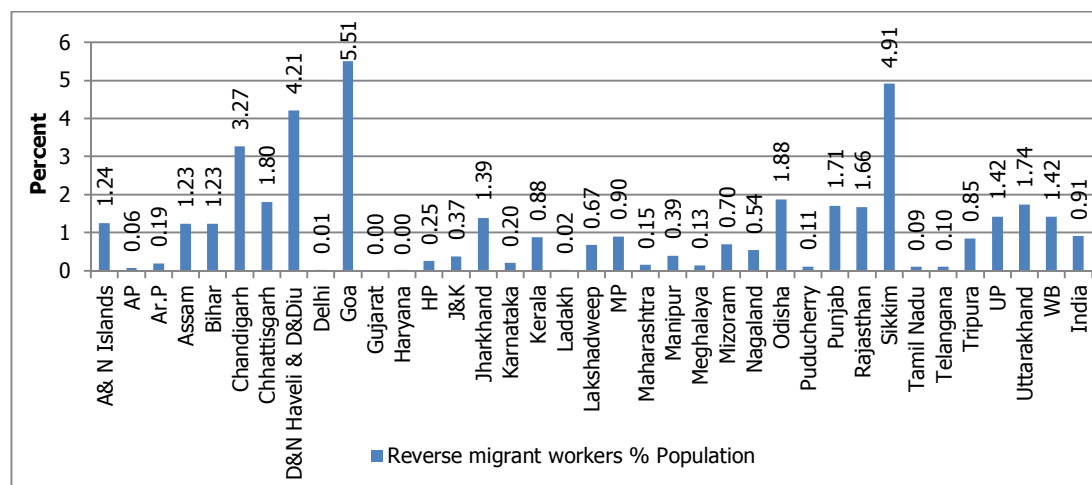
Figure 2: States/UTs distribution (%) of reverse migrant workers and population of India, 2020.



Note: Data of reverse migrant workers was for June 2020 and population is the projected figure for 2020.

Sources: Author's calculation based on Ministry of Health and Family Welfare (2020b) and Ministry of Labour and Employment (2021).

Figure 3: Share (%) of Reverse Migrant Workers in the Population in the States/UTs of India, 2020.



Note: Data of reverse migrant workers was for June 2020 and population is the projected figure for 2020.

Sources: Author's calculation based on Ministry of Health and Family Welfare (2020b) and Ministry of Labour and Employment (2021).

The trajectory of labour migration in the pre-Covid-19 pandemic was largely demand-driven arising out of a shortage of labour supply. Partly, migrants may push down wages as the opportunity cost of migrants is much higher than the local non-migrants. Migrants, who do not have alternative source of livelihood may accept a lower wage if they are desperate for employment. Usually, migrants filled the shortage of labour supply. This is evident after the lockdown was lifted and the economy was opening up. For instance, by May 2020, lakhs of reverse migrant workers, who returned to their states

due to the Covid-19-induced lockdown, wanted to go back to their migration destination in Haryana as commercial activities had started and they were expecting to get a job (Press Trust of India, 2020a). Similarly, by early August 2020, about two-thirds of such reverse migrant workers had either returned or wished to return to cities in the absence of skilled employment in native villages (Press Trust of India, 2020b). A study on reverse migrants from six states (Uttar Pradesh, Bihar, Jharkhand, Odisha, West Bengal and Chhattisgarh) shows 70% of reverse migrants were ready to return to previous migration destinations for work due to lack of job opportunities in villages, renewed job offers from previous employers and expecting to get a job in a city (Nanda, 2020). However, many returned migrant labourers may be unable to go back immediately and some of them may not wish to go back due to the pain endured during return may remain true (Bhavani, 2020).

Labour Market Crisis

Reverse migration and the Covid-19 pandemic had caused the labour market crisis both from the demand and supply of labour aspects. The slowing down of employment growth is an indication of labour demand crisis. It is due to the sudden job losses caused by the lockdown, job retrenchment, lay-off or closure of establishments. On the supply side, the unemployment crisis is evident from the high prevalence of unemployment rate. The problem of unemployment exacerbated as the recent job losers re-enter labour market to seek a new job along with the already existing unemployed and new job seekers i.e. fresh entrants in the labour market. The pandemic crisis situation has forced vulnerable migrant workers such as casual labour or informal workers to return to their origin. Vulnerable migrant workers include many migrants who are displaced (WHO, 2020) and low-wage migrant workers (Ratha, 2020; MOHFW, 2020). The reverse migrants were mostly forced to take up informal jobs, particularly farm jobs, in rural areas. Dandekar and Ghai (2020) earlier had cautioned that reverse migration may lead to the greatest crisis in rural India. Reverse migrants were also compelled to accept a lower wage that was below their reservation wage for securing livelihood because of non-availability of job opportunities and economic hardship.

During the pandemic, the demand for labour was limited as the pandemic had slowed down economic activities and growth. The demand for labour was affected as employment was shrinking as businesses were hit by lockdown, restriction in opening of establishments, fall in demand of goods and services, laying off of or retrenchment of workers due to businesses being operational partially. Nevertheless, work from home was promoted though it was not a privilege for all workers due to the differences in their nature of work.

As a result of limited demand for labour, the wage for the daily wager earners who are most vulnerable is pushed down, and livelihood insecurity arises due to job loss and unemployment. At the extreme, the daily wage earners who were among the rank of lowest income earners and the unemployed constituting the most vulnerable group may tend to commit suicide when they could not overcome their economic hardship. It is evident from the National Crime Records Bureau (NCRB) (2015 and 2020) that in India, the share of daily wage earners in the total number of suicides had increased drastically from 12.0% in 2014 to 23.4% in 2019. Similarly, the share of unemployed who had committed suicide had also increased from 7.5% in 2014 to 10.1% in 2019. These alarming trends of

suicide rate among them caused by economic hardship require securing their economic needs by providing adequate employment and income opportunities.

Lockdown and economic slowdown had rendered widespread job losses and severe unemployment issues. Loss of means of livelihood and lack of employment opportunities push migrants to return to their origin. At the destination, labour migrants have multiple issues ranging from livelihood security, health security, welfare, emotional to psychological issues. They also have reservation on labour supply due to health risk through exposure to unsafe work environment. Indeed, labour supply has increased that is depicted by the increased level of unemployment.

Labour Participation

In India, from 2011-12 to 2018-19, the labour force participation rates (LFPR) had declined by two percentage points while the workforce participation rates (WPR) declined by three percentage points for all ages (Table 3). The decline in labour participation is attributed to social conservatism and more women pursuing higher education (Chowdhury, 2011). The decline was more significant for females especially in rural areas. The fall in LFPR was due to the decline in WPR or employment growth. WPR remained greater for rural than urban areas. This is because of the nature of employment where most urban workers were in the non-agriculture sector unlike most rural workers engaging in agricultural activity. It also highlights the severity of urban unemployment problems. Moreover, LFPR and WPR of males remained higher in urban than rural areas. Conversely, for females these rates were lower in urban than rural areas. A higher participation rate of rural women in comparison to urban women is because of availability of jobs in cultivation and household industry for self-employment in rural areas (Deshpande, 1989). According to Marchang (2015), it is because urban females faced family's restrictions to work outside home and social obligation. Urban females, unlike rural females, are more inflexible in choosing a job because they are educated and aspire for a formal job. In rural areas, low income and poverty may cause able rural people to participate more in work to supplement the household income.

Table 3: LFPR and WPR (%) in Usual Status (PS+SS), India

Rate	Year	Rural			Urban			Rural+Urban		
		Male	Female	Person	Male	Female	Person	Male	Female	Person
LFPR	PLFS (2018-19)	55.1	19.7	37.7	56.7	16.1	36.9	55.6	18.6	37.5
	PLFS (2017-18)	54.9	18.2	37.0	57.0	15.9	36.8	55.5	17.5	36.9
	EUS (2011-12)	55.3	25.3	40.6	56.3	15.5	36.7	55.6	22.5	39.5
WPR	PLFS (2018-19)	52.1	19.0	35.8	52.7	14.5	34.1	52.3	17.6	35.3
	PLFS (2017-18)	51.7	17.5	35.0	53.0	14.2	33.9	52.1	16.5	34.7
	EUS (2011-12)	54.3	24.8	39.9	54.6	14.7	35.5	54.4	21.9	38.6

Notes: EUS – Employment and Unemployment Survey; PLFS – Periodic Labour Force Survey.

Sources: NSSO (2014) and National Statistical Office (NSO) (2020).

LFPR and WPR remained significantly higher for males than females in both rural and urban areas. Higher WPR for males is due to the role assigned to men as breadwinners in India (Deshpande, 1989). This upholds the patriarchal system where a male determines the source of family income and household economic security. It highlights that a large share of females attending to household duties due to social obligations. Nath (1968) established that for them, the primary obligations revolve round family and home. As such their participation in economic activity is contingent upon various factors such as economic need, institutional restrictions on their employment, and the kind of available employment. Moreover, the WPR was lower for females as they mostly performed the household activities and were inflexible in choosing a job due to the problems of job location and commutation to workplace (Marchang, 2015).

Females mostly performed the household activities (Table 4) as a social obligation that did not have any remuneration, and this lowered their WPR. Among the marginal workers, females who have attended to household duties were more prominent in rural than urban areas for all and working age (15-59) groups; and a vice versa situation prevailed for non-workers in 2011. Among non-workers, over one-third of the females of all-ages engaged in the household duties. It was strikingly high for the working age group indicating that females have higher tendencies to oblige to attend to household activities as males attend to economic activities outside the household for livelihood. It was more prominent in urban than rural areas because in rural areas, work is dominated by agricultural activities where any labourer can be engaged. In urban areas, the predominant non-agricultural employment, particularly a formal job, deters females from engaging in job resulting in a high engagement in household duties.

Table 4: Male/female attending to household duties percentage to total marginal workers and non-workers, India (2011)

Activity	Area	All-ages*		15-59	
		Male	Female	Male	Female
Marginal workers	Total	10.6	56.4	9.6	57.3
	Rural	11.9	57.4	10.7	58.2
	Urban	4.1	47.7	3.8	50.0
Non-workers	Total	2.0	36.5	4.3	63.2
	Rural	2.0	32.5	4.6	62.1
	Urban	2.0	44.1	3.6	64.9

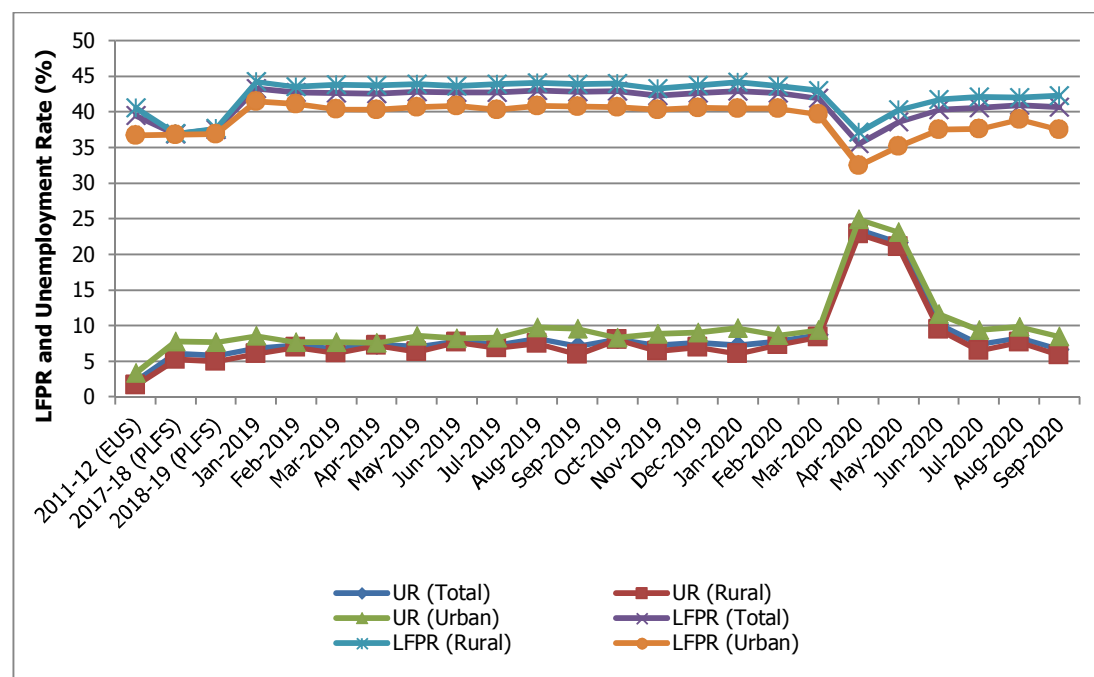
Notes: *Includes 0-4 years for non-workers; and excludes 0-4 years for marginal workers.

Source: Author's calculation based on RGCCI (2011).

Furthermore, according to CMIE (2020a), the monthly LFPR showed a sharp drop, while unemployment rates increased significantly during the initial pandemic-induced lockdown period (Figure 4). It indicates a huge loss of employment among the workers and their extensive engagement in finding a new job. In 2020, for the rural and urban combined areas, LFPR fell from 42.6% in February to as low as 35.6% in April. Later, it gradually improved to 40.7% in September. The decline of LFPR was greater in urban than rural areas from February to April. In urban areas, it declined by eight

percentage points when compared to the fall in rural areas by six percentage points. The contraction of labour participation rate did not fully recover even in September 2020 both in rural and urban areas. The improvement of LFPR was slower in urban areas where non-agricultural jobs were concentrated when compared to the rural areas where farm jobs dominated, showing that the unemployed labour was fast absorbed in the farm sector.

Figure 4: Trend of Monthly Labour Participation Rates (%) and Unemployment Rates (%), India



Notes: EUS – Employment and Unemployment Survey; PLFS – Periodic Labour Force Survey.

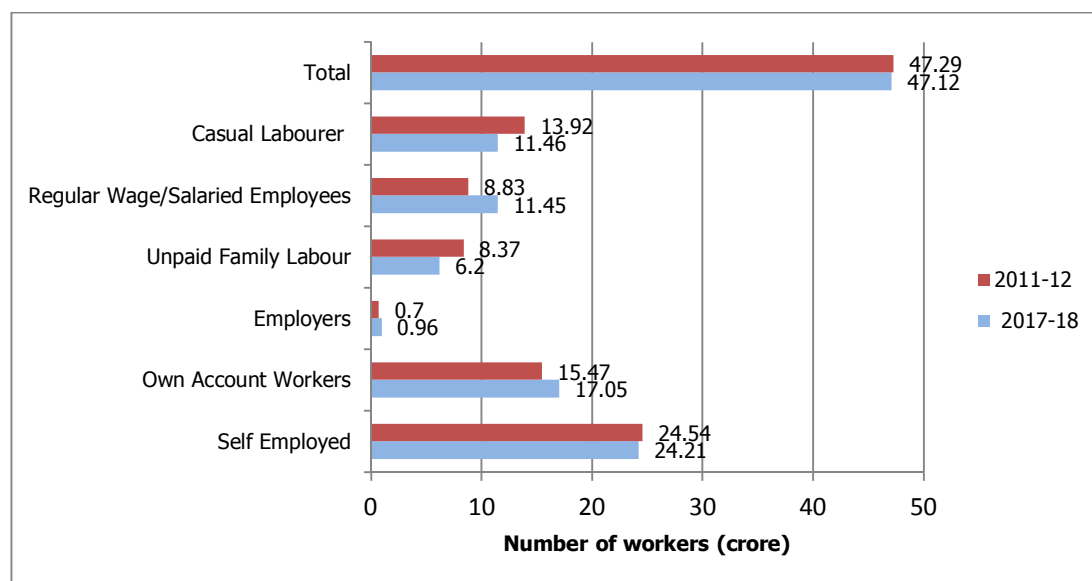
Source: Plotted by the author based on NSSO (2014), NSO (2020) and CMIE (2020a).

Employment Crisis

In India, according to NSSO, the number of jobs had declined marginally by 0.17 crore from 47.29 crores in 2011-12 to 47.12 crore in 2017-18 (Figure 5). Thus, employment was growing at a negative rate at -0.4% during 2011-12 to 2017-18. Further, as per CMIE (2020a), employment level stood at around 41 crore in 2019 till February 2020 (Figure 6). Employment trend may roughly be true although data are not strictly comparable between NSSO and CMIE due to the differences in the methodology. During the initial months of the nation-wide lockdown due to the Covid-19 pandemic, the level of employment slipped to 28 crore in April 2020. Thus, around 13 crore jobs were lost in April 2020 when compared to the level of employment in February 2020 before the lockdown. Thus, employment had contracted in April from February by -30.5% for combined (rural and urban) areas. The severity of employment contraction was greater in urban areas (-33.8%) than rural areas (-28.9%) that led to the higher decline of LFPR for urban than rural counterparts (Figure 4) as mentioned earlier. Employment was recovering gradually but did not fully recover until the end of September 2020. The employment growth trend is promising, it may soon touch the employment level of pre-Covid-19 pandemic outbreak and pre-lockdown situation as the economy and activities had improved.

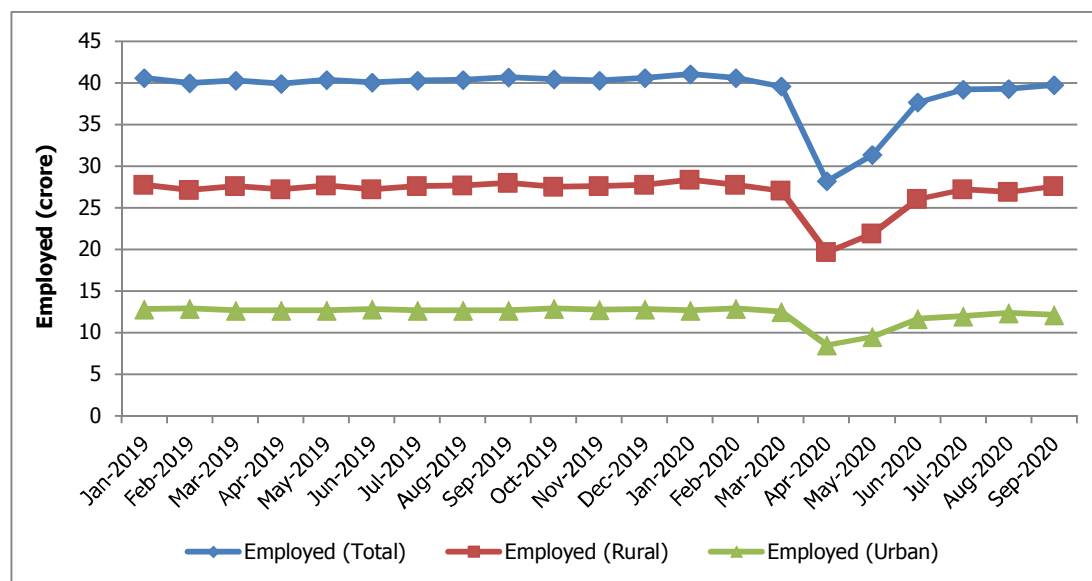
New jobs were added only in regular wage and salaried employment by 2.62 crores. Regular employment grew by 29.7%. Self-employment and casual labour grew negatively at -1.3% and -17.7% respectively. However, among the self-employed, own account workers and employers had grown by 10.2% and 37.1% respectively; whereas unpaid family labour grew at -25.9%. In 2017-18, self-employment that combines own account workers, employers and unpaid family labour formed the largest share (51.4%) of employment; and casual labour and regular salaried job constituted 24.3% each (Figure 7).

Figure 5: Number (crore) of Workers (PS+SS, all-ages) by Employment Status, India



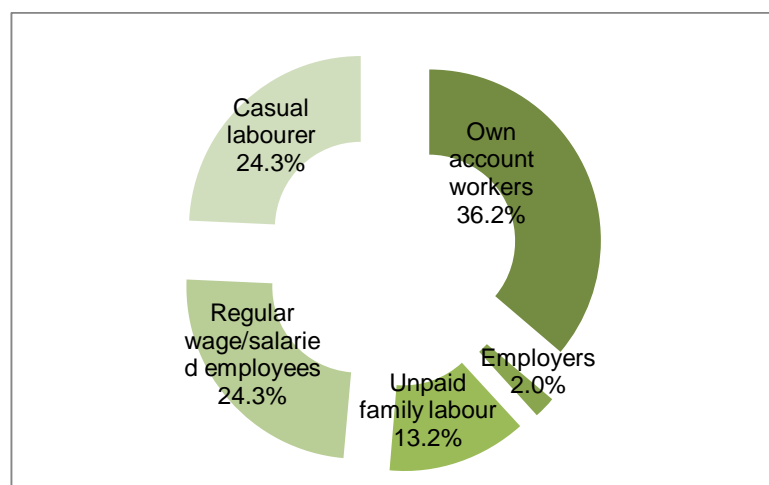
Sources: Plotted by the author based on NSSO (EUS 2011-12), NSO (PLFS 2017-18) and Economic Survey (2020).

Figure 6: Number of Employed (crore), India



Source: Plotted by the author based on CMIE (2020a).

Figure 7: Employment share (%), India (2017-18)



Source: Plotted by the author based on NSO (PLFS 2017-18) and Economic Survey (2020).

Currently, salaried employment comprises about 25% of the total employment in India. According to Vyas (2020a), during 2019-20, there were 86 million salaried jobs in India. By August 31, 2020, it had shrunk to 65 million. India has lost salaried jobs to the tune of 21 million. During Covid-19, the biggest loss of jobs was among salaried employees particularly white-collar professionals and other workers such as engineers, physicians, teachers, accountants etc (Vyas, 2020b).

A majority of the workforce continues to engage in the informal sector (Table 5). Surprisingly, from 2004-05 to 2011-12, informal employment had increased significantly as formal jobs declined in the organised sector, which is a major concern for job security. However, despite strict comparability of data, later in 2017-18, informal employment in the organised sector had slightly declined. Usually, workers tend to lose jobs due to informalisation of labour wherein employment contracts had not been entered. Nevertheless, employment in the organised sector had grown from 13.7% in 2004-05 to 17.3% in 2011-12 and further to 19.2% in 2017-18; however, the share of unorganised employment remained very high. Employment remained largely concentrated in the unorganised sector wherein informal jobs persistently predominated. Informal employment is associated with the labour market rigidities that induce higher unemployment rates. It is also caused by an increasing competition such as imports of goods. Import competition tends to raise informal employment (Goldar and Aggarwal, 2012). Labour market rigidities and trade impediments are interrelated with unemployment condition (Helpman and Itskhoki, 2010). During the pandemic, the reason for job loss appears to be related with the informalisation of workforce. Informalisation of labour is to keep the capitalists' businesses away from state surveillance (Srivastava, 1997).

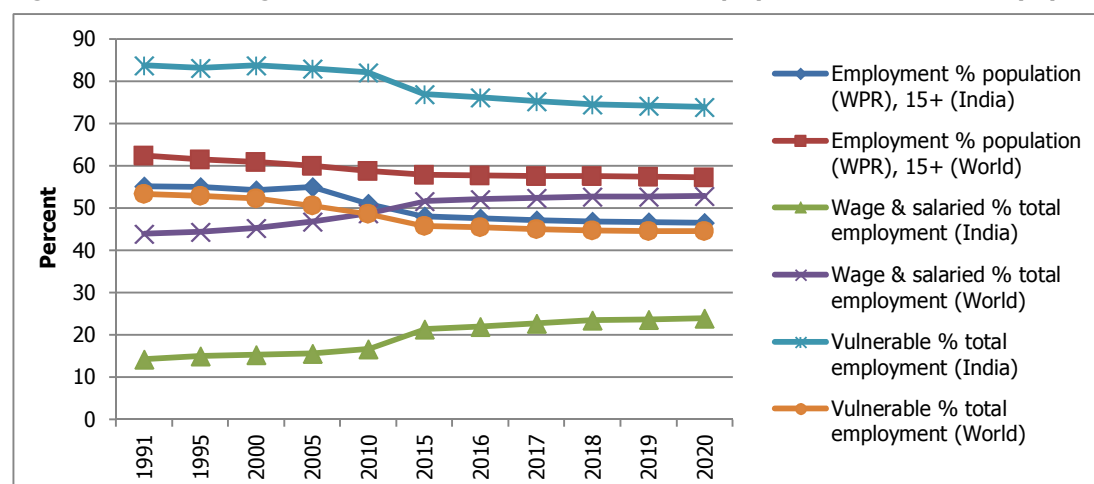
Table 5: Share (%) of Formal-informal Employment Across Organised/Unorganised Sectors, India

Sector	Organised			Unorganised			Total		
	2004-05	2011-12	2017-18	2004-05	2011-12	2017-18	2004-05	2011-12	2017-18
Formal	53.4	45.4	48.9	0.4	0.4	0.7	7.5	8.1	10.0
Informal	46.6	54.6	51.1	99.6	99.6	99.3	92.4	91.9	90.0
Total	13.7	17.3	19.2	86.3	82.7	80.8	100.0	100.0	100.0

Sources: Estimated from unit-level data of NSSO (EUS, 2004-05 and 2011-12) and NSO (PLFS 2017-18) as cited in Economic Survey (2020).

According to the World Bank (2020b), as presented in Figure 8, the economic participation rate (WPR for 15+ of age) remains lower for India, against the world's average, implying the former has more economic dependents. The share of wage earners and salaried workers having employment contracts between the workers and the employers was increasing but remained at an abysmally lower rate for India when compared to the world's average. Wage and salaried workers are those workers who hold paid employment jobs where the incumbents hold explicit (written/oral) or implicit employment contracts that give them a basic remuneration (World Bank, 2020b). In 2020, its share was 24% in India as against 53% of the world. Thus, in India, 76% of such workforce was employed informally. India continued to have a larger proportion of vulnerable employment, than the world, but declining as wage and salaried employment increased (Figure 8). Vulnerable employment is contributing family workers and own-account workers in the total employment (World Bank, 2020b).

Figure 8: WPR, and Wage/Salaried and Vulnerable in the Total Employment, India and World (%)



Source: Plotted by the author based on World Bank (2020b).

Unemployment Crisis

The unemployment problem has become more severe as unemployment rates had increased from two per cent in 2011-12 to six per cent in 2018-19 (Table 6). The problem was again more intense as its increase was more significant in rural areas particularly for females. The unemployment problem remained more severe in urban than rural areas for both males and females. It is because many workers in rural areas engaged as part-time or marginal agricultural workers. In urban areas, the

unemployed were finding difficulties in getting wage employment in the non-agricultural sector specifically in formal employment. The urban unemployment problem is partly a spillover effect of rural unemployment through migration.

In urban areas, unemployment continues to be more severe for females than males owing to economic compulsions. The increase in job aspirations with increased educational qualification among females is also attributed to the severity. Moreover, the extent of flexibility in choosing a job, capability to adapt to any working environment by taking up the challenges and acceptability of existing wage rate although rigid, etc explains the severe unemployment problems among females.

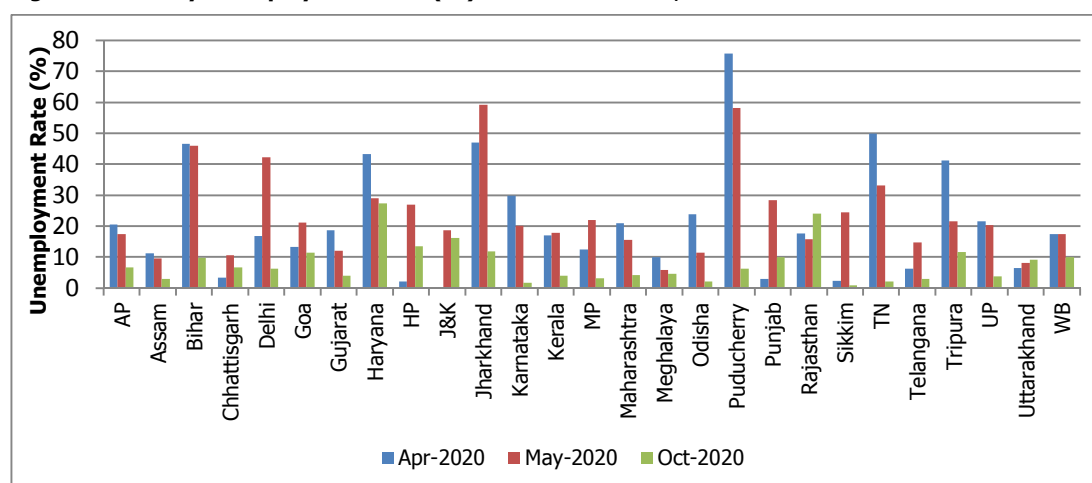
Table 6: Unemployment Rates (%) in Usual Status (PS+SS), India

Year	Rural			Urban			Rural+Urban		
	Male	Female	Person	Male	Female	Person	Male	Female	Person
PLFS (2018-19)	5.6	3.5	5.0	7.1	9.9	7.7	6.0	5.2	5.8
PLFS (2017-18)	5.8	3.8	5.3	7.1	10.8	7.8	6.2	5.7	6.1
EUS (2011-12)	1.7	1.7	1.7	3.0	5.2	3.4	2.1	2.4	2.2

Sources: NSSO (2014) and NSO (2020).

During the Covid-19 pandemic, there was a drastic employment decline and a spike in the unemployment crisis particularly at the peak of India's lockdown in April 2020 (Figure 4). But later, the unemployment crisis dipped. It shows that lockdown as a measure to contain Covid-19 caused greater unemployment problem due to laying off of workers, retrenchment of workforce, job loss due to no job contract, etc. Re-entering of these previous workers in the labour market as they sought new employment (including the reverse migrants) has worsened the unemployment situation. By August 2020, the unemployment situation had almost normalised to the pre-Covid-19 lockdown situation as employment was secured through either wage or occupational adjustment. Unemployment rates were abnormally high across almost all the states of India in April 2020 (Figure 9). In April 2020, the problem of unemployment was most severe in Puducherry with an unemployment rate of 75.8% followed by TN (49.8%), Jharkhand (47.1%) and so on; while the problem was mildest in HP (2.2%). The rates have considerably declined from April or May to October 2020 in almost all the states, except for Rajasthan and Uttarakhand where the rates had shot up.

Figure 9: Monthly Unemployment Rate (%) of States of India, 2020



Source: Plotted by the author based on CMIE (2020b).

Migrant Labour Crisis amidst Covid-19

In India, lakhs of migrant workers were rendered jobless due to the Covid-19-induced nationwide lockdown in March (The Hindu, 2020). Job losses due to the lockdown and economic slowdown worsened the unemployment problem. The uncertainty of getting back their lost jobs lingers due to economic slowdown. The economic hardships faced due to job loss and non-receipt of wages as a result of sudden lockdown and the trauma they had undergone may still prevail particularly for the migrant workers. Insecurity in commuting to the workplace even if workers had regained their jobs, is not yet over due to the deterioration of the pandemic crisis.

Uncertainty for livelihood is greater for the low paid informal sector workers such as daily or contractual workers. They are highly vulnerable to job security and suffered from job and income uncertainty. The uncertainty is more severe for low-profile workers specifically in urban centres where the cost of living such as rent, transportation and food are dearer and certain regular income is needed. This could be because workers might have adopted several employment strategies to secure their livelihood by compromising on wage or salary if re-employed or on occupation if encountered extreme difficulty in getting their expected job; self-employment; and by engaging in farm or informal work, particularly the reverse migrants.

Indeed, opening up India's economy was essential to improve the economy and to enhance the demand for labour. India's GDP (at 2011-12 prices) in Q1 (April-June) of 2020-21 was estimated at Rs 26.90 lakh crore, as against Rs 35.35 lakh crore in Q1 of 2019-20, which shows a contraction of economic growth by -23.9% (Ministry of Statistics and Programme Implementation, 2020). During this period, India was in complete lockdown, employment was shrinking and the unemployment problem was very severe. To reduce the unemployment crisis and to secure livelihood means, the government may enact the National Urban Employment Guarantee Scheme for sustainable urban development similar to the employment provision under MGNREGA.

Migrant workers have many disadvantages in times of economic crises due to short-term employment contracts or vulnerable statuses (Knoll and Bisong, 2020). As a measure to overcome the

economic crisis, the government of India, on August 20, 2020, planned to offer 50% of salary for three months as unemployment allowance to 40 lakh workers across various sectors, who had lost their jobs due to the pandemic. This was for the registered members of the Employees' State Insurance Corporation (ESIC) (Hindustan Times, 2020). But, in mid-September, surprisingly, the Ministry of Labour and Employment said that the government did not have any data of migrant workers who lost their jobs and their lives during the Covid-19 lockdown in India (Nath, 2020). It implies, tragically, that the unemployment allowance was excluded for the migrant workers. Later, however, in mid-October 2020, the government strengthened campaigning for Atal Beemit Vyakti Kalyan Yojana to ensure that the ESIC registered workers who had lost their jobs during the pandemic lockdown could claim 50% of their wages for up to three months as unemployment relief even if they had resumed work like migrant and factory workers (Mathur, 2020). Unfortunately, majority of the migrant workers who do not have the privilege to be registered under ESIC would not benefit from this unemployment relief allowance.

Conclusion

The pandemic has caused several crises ranging from lockdown, job loss, drastic employment decline, severe unemployment problems, reverse migration, economic slowdown and economic hardship. The size of population does not necessarily have a positive association with the rate of reverse migration across the states/UTs. Indian economy shrank along with shrinking employment and amplified the unemployment problem in the first quarter of the financial year 2020-21. After lifting the lockdown to open up and revitalise the economy, the extent of reverse migration slowed down and a few reverse migrants started returning to their previous migration destinations in the cities. Many workers lost their jobs when the lockdown was first imposed. This had resulted in a sharp decline in the number of jobs and LFPR. The sudden job loss is attributed to the informalisation of employment and low employment contracts between the workers and employers. Economic hardship had further resulted in a severe unemployment crisis in the process of regaining their old jobs or finding and obtaining a new job. The Covid-19 pandemic has taught many lessons. The need of the hour is to introduce adequate labour policy measures to enhance formalisation of employment, especially for wage and salaried workers, to prevent sudden job loss through entering job contracts or job agreements, and extend coverage of social security benefits or something similar to secure economic hardship. Job loss compensation and unemployment allowance scheme for all formal and informal workers maybe introduced for job security. Additionally, it is necessary to introduce a migration management system through a single window registration and monitoring system particularly for the management of migrant labour to ease the labour migration crisis.

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