

Impact of Covid-19 on Informal Sector: A Study of Women Domestic Workers in India

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Summary

In this paper, the authors, Sumalath et al. (2021) study the impact of the covid-19 pandemic on India's informal sector. The main focus of this paper is on women domestic workers and how pandemic has affected their livelihood, security, and health. The study uses primary data for empirical analysis on 260 women domestic workers from three major cities Delhi, Mumbai, and Kochi. The primary variables include working conditions, livelihood, household dynamics, health scenarios, and state support during the pandemic. The empirical pieces of evidence are also supported and substantiated with some qualitative interviews which gives a study much in-depth analysis. The analysis finds a large-scale job loss in the informal sector due to the pandemic including reduced incomes and increasing workloads. It also suggests a need for immediate support in terms of forming national-level policy and state support targeting women domestic workers.

Introduction

The COVID-19 disease declared as a pandemic in 2020 by World Health Organization has been causing unequivocal challenges to the global public health system (World Health Organization, 2020). Almost all the countries declared partial or complete lockdowns and the global economy came to a standstill resulting in unprecedented economic and social distress. While the pandemic has affected livelihoods across many social classes in India, the employment protection and social security of those in the informal sector, who constitute 86% of the workforce stands most affected, as they struggle to meet the basic necessities as well as the threat of infection (International Labour Organization, 2020). In spite of the similar hardships that other groups of workers face, women domestic workers are facing total or near unemployment and economic insecurities due to social distancing and lockdown restrictions. They remained mostly outside the picture of relief mechanisms in the country. This study takes this problem into consideration and attempts to investigate the effect of lockdown on the informal women workforce, especially domestic helpers.

Review of Literature

The paper does extensive literature on the conditions of the women workforce in India, particularly in the informal sector. It first explores the theoretical literature on women's participation in the domestic work sector. It explores the common feature which indicates feminization of domestic work (Augustine & Singh, 2016). Low wages and lack of legal protection (Neetha & Palriwala, 2011), unpaid overtime and occupational health problems (Paul et al., 2018), poor bargaining power, working without leave under coercion, child care issues, and health ailments such as back pain and skin allergy (Moghe, 2013), physical and sexual violence (Hamid, 2006; Paul et al., 2018), exploitative working conditions and human right violations (Chandramouli, 2018), absence of a formal organizational framework for domestic workers, lack of representation of domestic workers in associations, exclusion of domestic workers from legal rights for minimum wages (Bhattacharya et al., 2010; Chandramouli, 2018).

The paper also tries to link the social and economic distress faced by domestic workers across the country due to the COVID-19 pandemic with the existing inequities and right violations, especially in urban areas by particularly focusing on a study by Partha (2020) and Goel et.al.,(2008).

Empirical literature

The empirical literature part of the paper mostly focuses on a study by the Institute of Social Study Trust (2020). In this study telephonic survey with 500 domestic workers in Jaipur showed that only 51% of the workers were paid a salary for the work they did in the month of March and 44% of the workers ended up borrowing money from money lenders at exorbitant interest rates. It also reviews the studies by Bharti (2020), and Deshpande (2020), which highlight the gender gap in the average hours spent on work which increased post-lockdown for the domestic workers.

It also reviews the studies which claim that the household expenses of the more than 37.5 million women domestic workers are met through the income they earn.

Data and Methodology

The study uses primary data to analyze the data. The data was collected from 260 women domestic workers from three major cities in India, namely New Delhi, Mumbai, and Kochi.

Data analysis was done using the SPSS package and descriptive statistics were presented using figures and tables. No inferential or regression models were used in the study. The study mostly follows a mixed-method approach by also taking into consideration the qualitative evidence that was also collected through telephonic conversations with 12 domestic workers, 4 each from New Delhi, Mumbai, and Kochi. The social and economic

distress faced by domestic workers across the country due to the COVID-19 pandemic, added to the existing inequities and right violations, especially in urban areas.

Findings

Out of the total respondents, 117 (45%) lost their jobs during March-June 2020, and only 65 (55.6%) had a job in August. The major reason for their job losses was unilateral termination because of the stigma associated with the pandemic, faced by about 57.3% of workers. During the last month of their work 55.4% got their full salary, 38.8% got half and 5.8% were paid no salary. During the pandemic, 50.4% experienced reduced salary, increased workload, or both together. In the pandemic only 33% of respondents received complete safety measures in their work environment, others were provided with either partial or no safety measures at all.

At the same time, some of the workers reported favorable experiences from the employers during the pandemic. This included providing material support, for example, groceries (13.8%), assurance to retain for work after lockdown period (13.1%), and payment of advance salary (10%). Another 10% received phone calls from employers during lockdown asking for their welfare and 10% also received assurance for a future hike in salary.

The sudden reduction in income adversely affected the savings of the families of the domestic workers. About 58% reported that their limited savings withered off. Due to the reduction in income, the families (about 41.5%) ended up using their savings or borrowing money predominantly from money lenders.

During the qualitative inquiry, half of the women reported that domestic violence has increased during the pandemic. This includes emotional and physical abuse as well as sexual violence.

The pandemic had both short-term (increment in debts, restricted food intake, difficulty in paying rent, withered savings, etc.) and long-term effects (Financial insecurity, job insecurity, marital problems) on the families.

The pandemic had adverse effects on the physical and mental health of the domestic workers, a staggering 90.4% of the respondents reported anxiety issues with 45.8% of them classifying it as severe. During the period of the pandemic, 42.3% of the domestic workers had health issues for self/family members which required medical consultation. In this category, 67.3% had to discontinue treatment of the illness. The major reasons pointed out for discontinuation of treatment are unaffordability, lack of transportation, and absence of outpatient services in Government hospitals.

Out of the 260 respondents, 70% received support from the State in the form of free food/ration provision during three months of complete/partial lockdown period (April–June). But only 33.8% received financial aid in the form of the amount credited to Jan Dhan Accounts during the period. Major suggestions from the workers included financial support from the State for one year (31.5%), provision of free ration/groceries (22.7%), job security at the workplace through negotiation with employers (28.8%), and ensuring minimum wages (16.2%).

Conclusion and Policy Suggestions

The prevailing vulnerability of women workers emanating from the informality, invisibility, and nonrecognition of domestic labor is largely obvious. The global pandemic scenario and the ensuing vulnerabilities have aggravated and reinforced the social, cultural, economic, and political inequities surrounding women engaged in domestic labor. The pandemic has resulted in the emergence of new forms of rights violations and situations of social injustice among the informal workforce, characterized by the termination of jobs/non-payment of wages/salaries, workload, health risks, indebtedness, poor access to health care, violence, stigmatization and humiliation, unmet food/education/health requirements of the family, etc. Ignorance of citizenship as well as labor rights, digital gap, poor digital literacy, and unorganized nature of the workforce facilitate the open practice of rights violations against domestic workers contributing to the universality of experiences and systemic injustice.

Learning Outcomes

- To ensure the citizenship rights of domestic workers including their rights to labor, immediate attention needs to be paid to their emotional, psychological, social, economic, and political well-being.
- In a futuristic perspective, the domestic work sector with most workers being women, calls for a gender-sensitive, welfarist, rights-based, as well as intersectional approach with long-term objectives.
- The government announced relief packages, such as PMGKP, PM-Kisan, and MNRGA intending to help those in the informal sector need strengthening and proper implementation.
- In order to reverse the current economic slowdown, India needs detailed structural reforms and larger relief packages to ensure the survival of marginalized communities.
- Gender, caste, class, and region collide to create a situation of invisible marginalization experienced by domestic workers, especially in a pandemic scenario, which requires short-term (PDS rations and food vouchers) and long-term (cash transfers) policy measures to combat.
- Legal action against exploitation and violence at the workplace should be strictly ensured by law enforcement agencies which in turn requires proper registration of the workers in the informal sector.

References:

Sumalatha, B. S., Bhat, L. D., & Chitra, K. P. (2021). Impact of Covid-19 on informal sector: A study of women domestic workers in India. *The Indian Economic Journal*, 69(3), 441-461.