

# *Data Analytics*

*For*

---

*Unemployment Rate in India  
During COVID 19*

# *Unemployment Rate in India During COVID 19*

*Bullaya college vizag  
Billada.Pramodh Kumar*



Part - 1

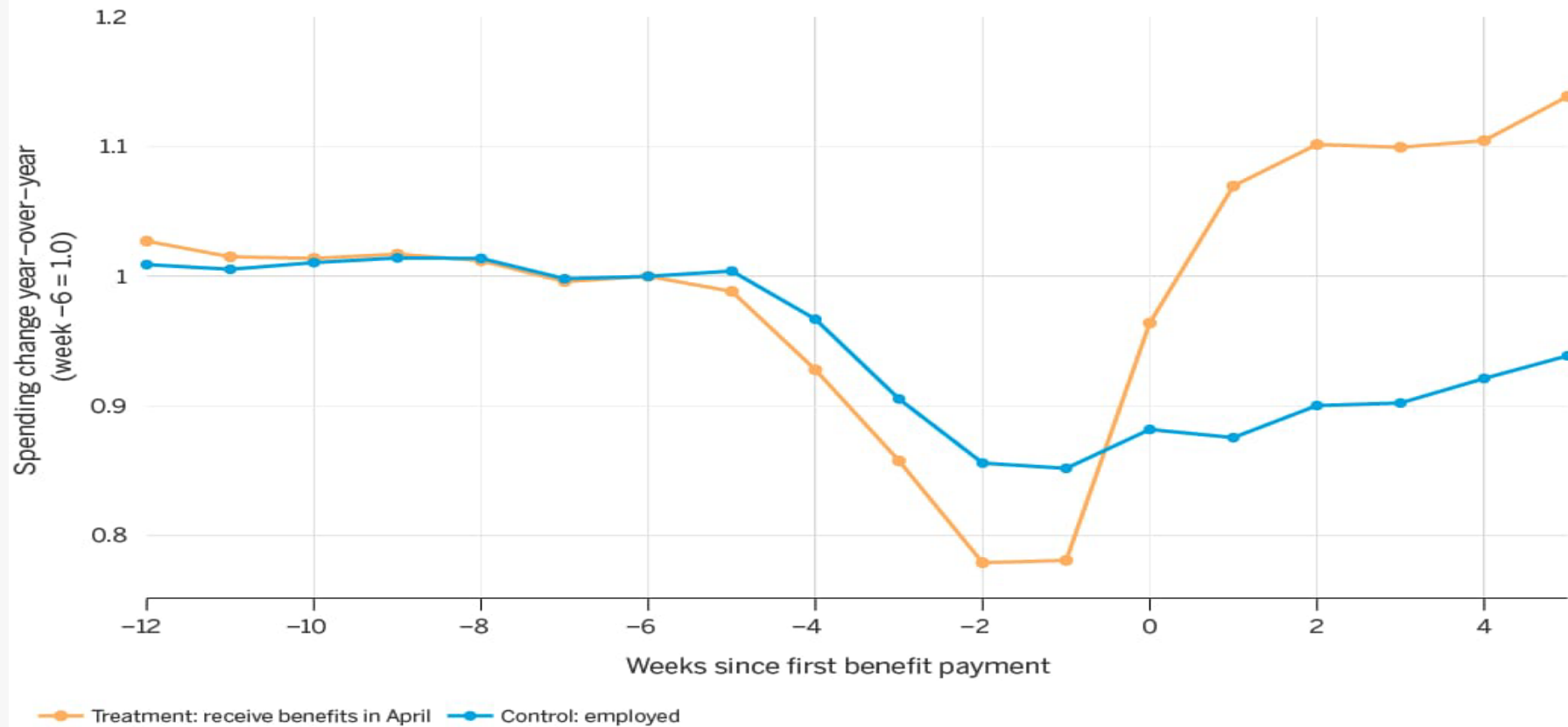
# *Unemployment Analysis*

Unemployment rate in urban areas rose to 20.9% during the April-June quarter of 2020, more than double the unemployment rate in the same quarter the previous year (8.9%). Unemployment rate refers to the percentage of unemployed persons in the labour force.

The COVID-19 pandemic had a significant impact on employment in India, particularly during the lockdown periods in 2019 and 2021. Some of the key effects include:

1. Job losses: Millions of workers, especially in the informal sector, lost their jobs due to the lockdowns and economic downturn.
2. Migrant worker crisis: Many migrant workers in cities lost their jobs and had to return to their hometowns, leading to a massive migration crisis.
3. Rise of gig economy: The pandemic accelerated the growth of the gig economy, with more people turning to freelance, temporary, or contract work.
4. Remote work: Many companies adopted remote work arrangements, which helped reduce job losses but also created new challenges for workers.
5. Economic contraction: India's GDP contracted by 7.3% in 2020-21, leading to a decline in employment opportunities.
6. Increase in unemployment rate: The unemployment rate in India rose to 7.1% in 2020-21, up from 5.8% in 2019-20.
7. Impact on MSMEs: The pandemic severely affected Micro, Small, and Medium Enterprises (MSMEs), which are a significant source of employment in India.
8. Skill mismatch: The pandemic highlighted the need for workers to acquire new skills, particularly in areas like digital technology and healthcare.

### Spending Falls at Start of Unemployment and Rises when Benefit Payments Begin



Note: This figure shows the change in spending year-over-year around the start of unemployment benefits. The x-axis shows the number of weeks since the first benefit payment. The treatment group, shown in orange, receives benefits beginning in April. The control group, shown in blue, is employed workers. See "Data and analytical approach" section for details on how the control group is constructed. The y-axis is normalized to one at six weeks prior to the first benefit payment.

Source: JPMorgan Chase Institute

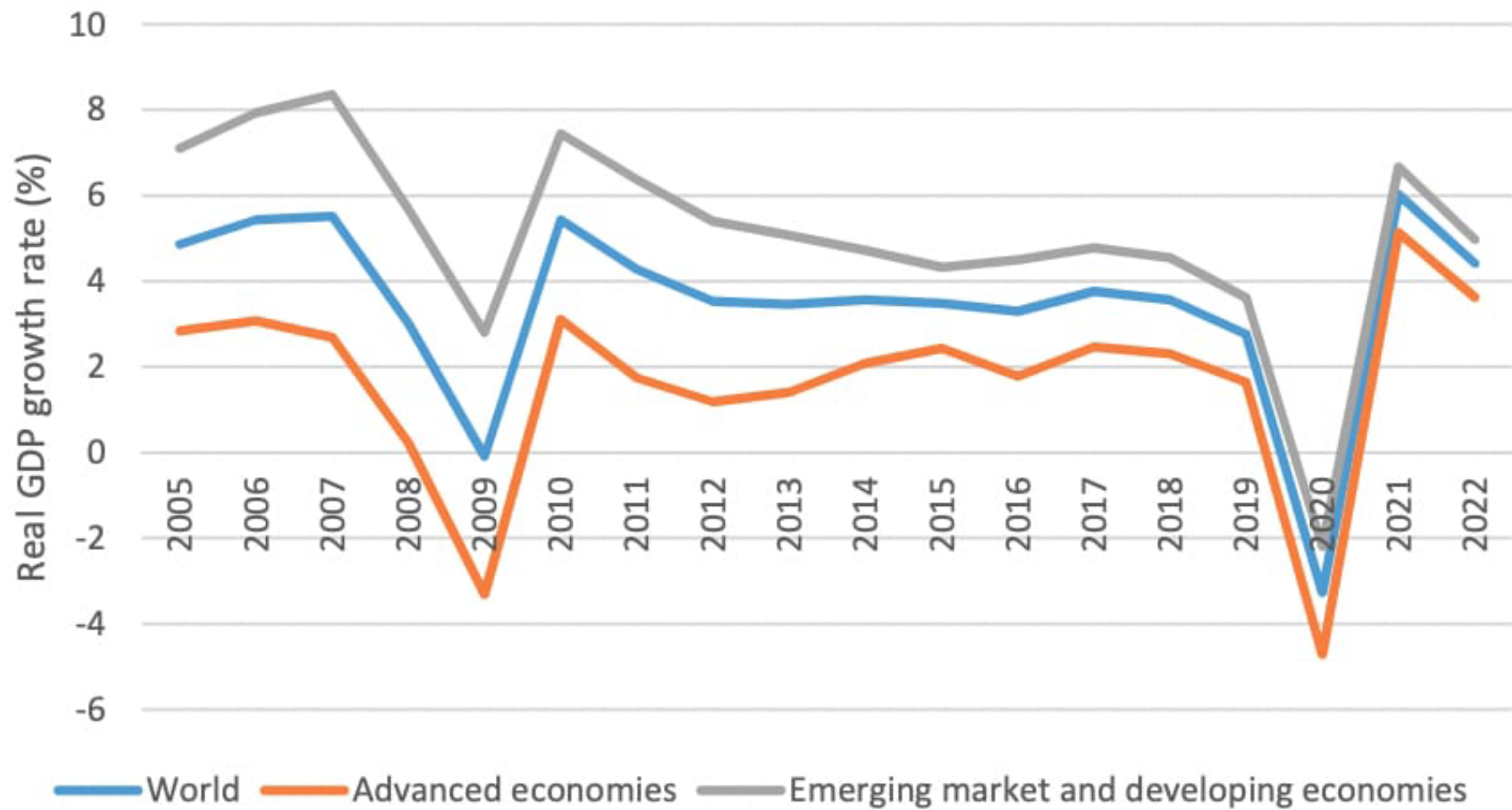
*Part-2*

*Unemployment  
Research*



## *Unemployment Research During COVID-19.*

*It's been a challenging time for many people around the world. There have been studies and reports on the impact of the pandemic on employment rates, job loss, and economic recovery.*



**During COVID-19, unemployed individuals have faced several common challenges. Some of these include:**

1. Financial Strain: Many people have experienced financial difficulties due to the loss of income, making it challenging to meet basic needs and financial obligations.

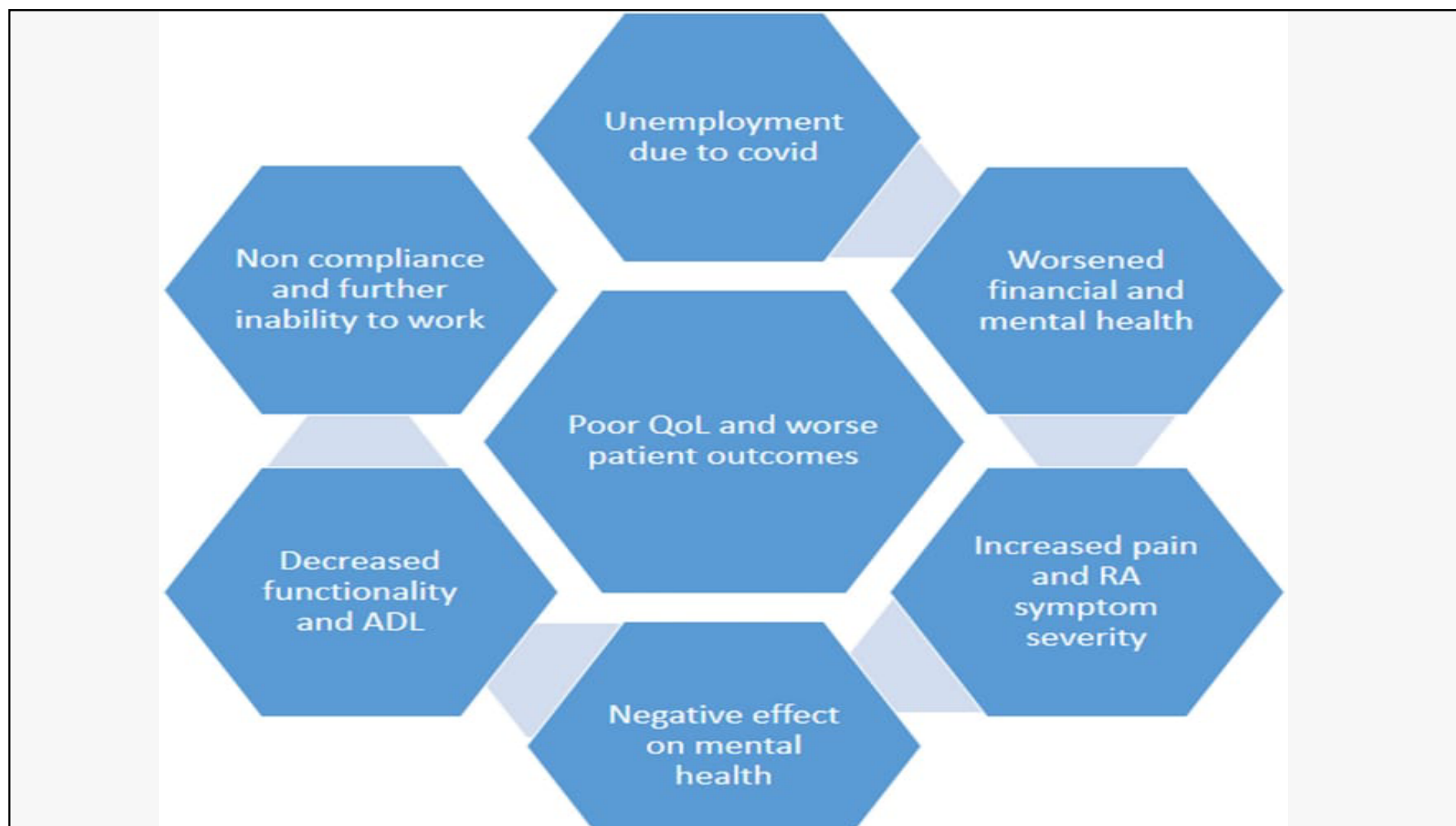
2. Job Search Obstacles: The pandemic has led to a decrease in job opportunities, making it more competitive for job seekers. Limited job openings and increased unemployment rates have made finding employment more challenging.

3. Mental Health Impact: Unemployment can take a toll on mental well-being, especially during a global crisis. Feelings of stress, anxiety, and uncertainty about the future are common among those who are unemployed.

4. Skill Relevance: The pandemic has accelerated certain changes in industries, leading to shifts in job requirements. Some individuals may need to update their skills or acquire new ones to remain competitive in the job market.

5. Access to Resources: Access to resources like job training programs, career counseling, and networking opportunities may be limited during the pandemic, making it harder for unemployed individuals to access the support they need.

*It's important to note that these challenges can vary depending on individual circumstances and the specific region. If you or someone you know is facing unemployment, there are resources available such as government assistance programs, career counseling services, and online job platforms that can provide support and guidance.*



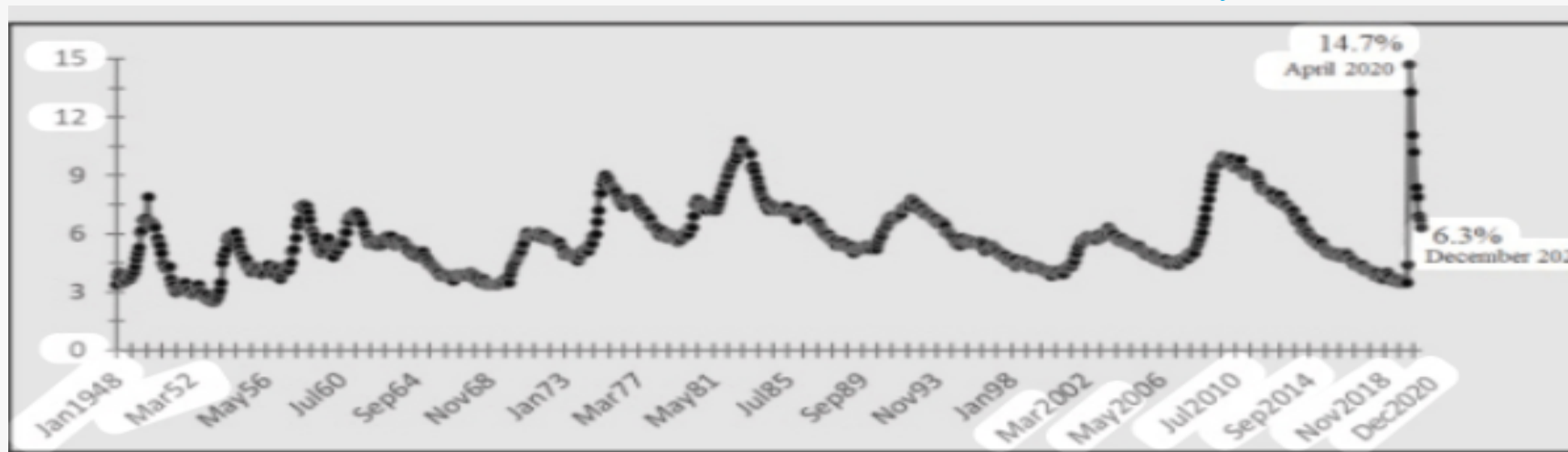
## *Part - 3*

# *Unemployment and coronavirus*

*This subsection discusses how unemployment was impacted by the COVID- 1 9-caused economic recession:*

*An economic recession occurs when there is a substantial drop in overall economic activity diffused throughout the economy for longer than a few months. While past recessions were driven by an inherently economic or financial shock, the current recession is caused by a public health crisis COVID- 1 9 caused a drop in consumer demand across all industrial sectors resulting in economic recession and massive unemployment where not only hourly workers but salaried professionals lost their jobs .COVID- 1 9 caused a drop in consumer demand across all industrial sectors resulting in economic recession and massive unemployment where not only hourly workers but salaried professionals lost their jobs.*

the unemployment rate rose gradually reaching its peak, and in the pandemic-caused recession it increased unprecedentedly to its peak over one month, from March 2020 to April 2020 by 10.3% (from 3.5% in February 2020 to 4.4% in March 2020 to 14.7% in April). After that, the rate declined as workers continued to return to work to 6.3% in December 2020. [Fig\(1\)](#)








Fig. 2 presents the dynamics of unemployment distribution across counties in TN for the selected months. Shown are pre-COVID-19 unemployment rates as of August 2019 (Fig. 2a), followed by May 2020 (Fig. 2b) where even the lowest levels of unemployment exceed the highest rates of the pre-pandemic period even in wealthy counties around Nashville (seen in the legend entries), August 2020 (Fig. 2c), and September 2020 (Fig. 2d). The overall unemployment abates somewhat during the later stage, and the general spatial pattern resembles that of the pre-COVID-19 period with higher unemployment concentrated in the southwestern corner of the state around Memphis.

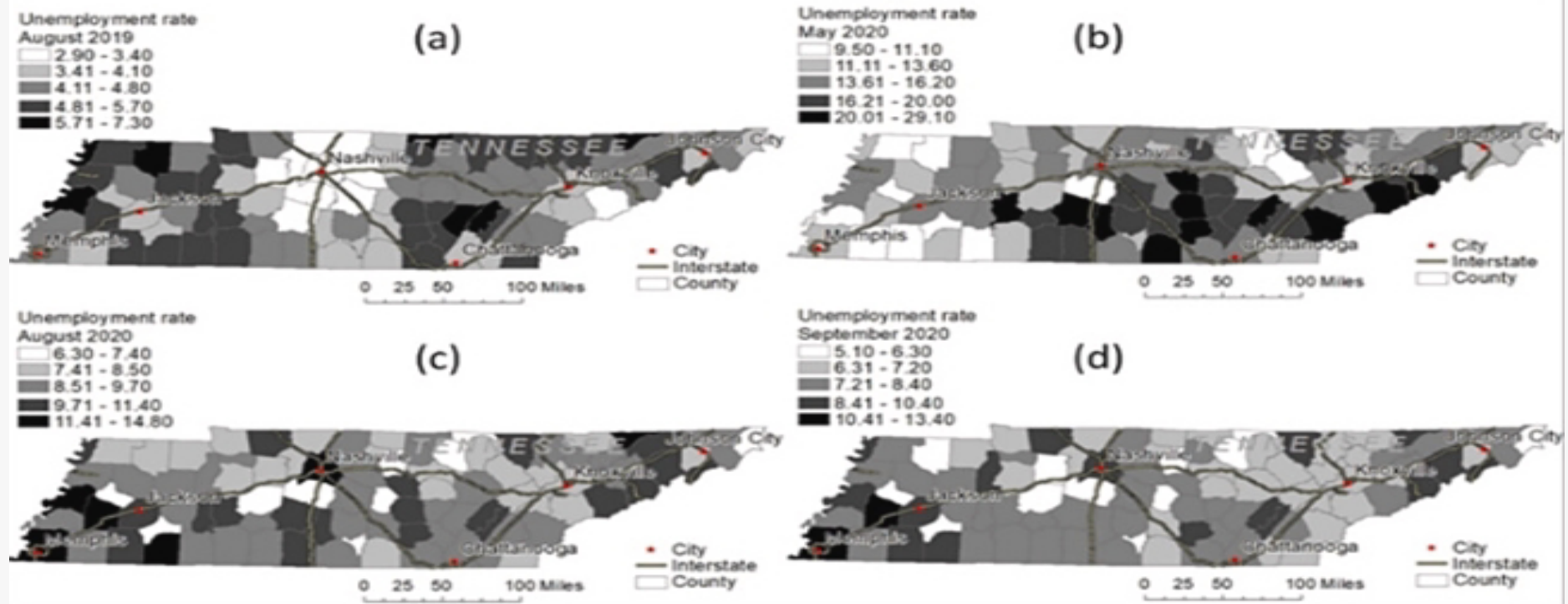


Fig. 2. Dynamics of unemployment rate across counties in TN for selected months: (a) August 2019, (b) May 2020; (c) August 2020; (d) September 2020.

# *Skill Relevance:*

The pandemic has accelerated certain changes in industries, leading to shifts in job requirements. Some individuals may need to update their skills or acquire new ones to remain competitive in the job market.

While these circumstances have without question been challenging, it is wise to assess how this period may have forced you to develop skills in new areas. The skills gained during these trying times, have not only proven to be key, but will continue to serve professionals well in their careers throughout 2021. This is why we recently conducted a survey of 500 business leaders to find out which 21 skills will rise in importance this year.



Yoga



Cooking



Gardening



Reading




Online Games



# Part - 4

*Navigating the Job Market:  
Insights on unemployment in  
India's IT Sector.*



The unemployment rate in India's IT sector can vary depending on various factors. However, it's important to note that I don't have real-time data or access to the latest statistics. It would be best to refer to official sources such as government reports or reputable news outlets for the most accurate and up-to-date information on the unemployment rate in India's IT companies. These sources can provide you with detailed insights into the current employment situation in the IT sector.




*IT companies have also faced challenges during the COVID-19 pandemic. Some of the specific issues they have encountered include:*

1. Remote Work Transition: Many IT companies had to quickly adapt to remote work setups, which required ensuring employees had the necessary equipment, software, and secure access to company systems. It also posed challenges in terms of communication and collaboration among team members.

2. Project Delays: The pandemic disrupted supply chains and caused delays in the delivery of hardware and software components, impacting project timelines. Additionally, some projects were put on hold or canceled due to budget constraints or shifting priorities.

3. Increased Cybersecurity Risks: With remote work becoming the norm, IT companies faced an increased risk of cybersecurity threats. They had to implement robust security measures to protect sensitive data and ensure the integrity of their systems.





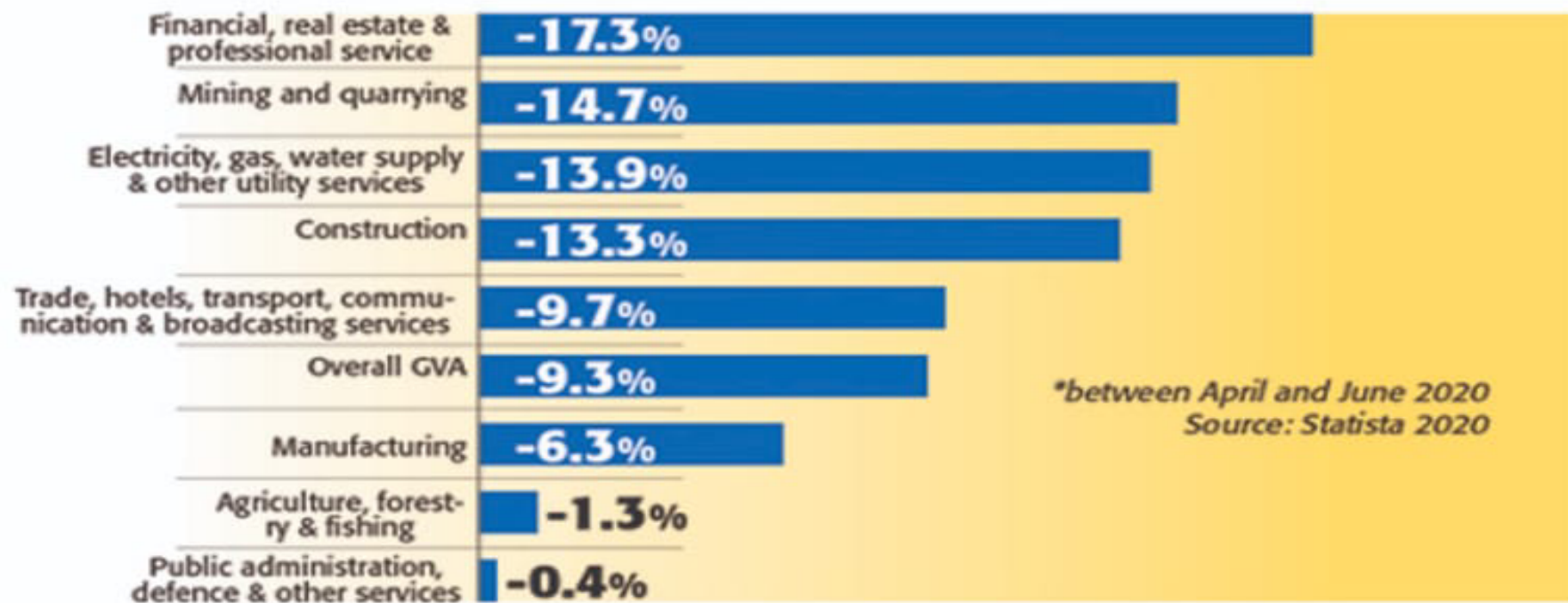
4. Client Uncertainty: Many clients experienced financial difficulties or uncertainty during the pandemic, leading to budget cuts or project cancellations. This affected IT companies' revenue streams and required them to reassess their client relationships and adapt to changing needs.

5. Talent Retention and Recruitment: The pandemic affected the job market, making it challenging for IT companies to retain top talent and recruit new employees. Remote work arrangements and economic uncertainty influenced job seekers' decisions, leading to shifts in the labor market.

Despite these challenges, IT companies have also found opportunities during the pandemic. The increased reliance on technology and digital solutions has created new avenues for innovation and growth. Companies that have been able to adapt and provide value-added services have been able to navigate the challenges and continue to thrive.



# ESTIMATED IMPACT FROM COVID-19 ON INDIA BY SECTOR GVA





Thank you