

Problems of Daily Wage Workers under Informal Sector during the Period of Lockdown and thereafter: A study in the Tinsukia district of Assam.

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Abstract:

The workers who do not have regular working hours and wages, and work on temporary basis, earns money to support a household by working is considered as daily wage worker under informal sector. The Corona virus pandemic is having a serious impact on the living conditions of the daily wage workers. Due to the corona virus pandemic they have lost their jobs, their means for bringing food to their families. This paper is trying to find out the challenges face by the daily wage workers during the period of lockdown and thereafter and also assesses how they and their household were impacted due to COVID-19 pandemic. The findings of the study revealed that loss of income, scarcity of work, decline in wages, increase Expenses and borrowings and increased health risk are the some of the basic challenges they have faced.

Key words: *COVID-19, Lockdown, Daily Wage Workers, Informal Sector, Challenges.*

Introduction:

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. The primary aim of this sector is generating employment and income on a small scale. A 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 sweatshops, agricultural workers, casual labourers in construction which include masons, sanitary workers, carpenters, painters, those working in brick kilns etc. Therefore, the informal wage labour category covers those who are in the informal sector but are not self-employed. In most of the parts of the county workers in this sector are not covered by the country's labour laws and regulations.

On the other hand the formal sector consists of salaried employees, professionals, and organized trade or business people who hire workers. It represents all jobs with specific working hours and regular wages and the worker's job is assured. The workers are employed by the government, state or private sector licensed organization and is liable to pay taxes.

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. Corona virus was first detected in Wuhan City of China in October 2019, and named as a Covid-19. It then slowly began to affect the countries of the world. When India was about to be affected by the COVID-19 virus, the Indian government decided to implement Lock Down from 24th March 2020 that continued till 31 May 2020 with strict protocols to contain the movement of people, freight operations and daily businesses. By the beginning of June, formal unlock processes were initiated nationally. However, with the second wave of COVID hitting the country, daily wage earners are again bound to face difficult times ahead. 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. Many people are worried about the economic consequences if this situation lasts much longer. They are worried about how they are going to address their daily needs of food and medicine.

Profile of the Study Area:

Tinsukia is one of the districts of the state of Assam. It is famous for the production of tea and it is also famous for coal and oil production. Digboi is known as the Oil City of Assam located at Tinsukia district where the first oil well in Asia was drilled. The district headquarter Tinsukia town surrounded by various industries. Mostly the nature of work in the district is agriculture and industrial work. There are about 122 tea estate and numbers of small tea gardens in the district. They provide employment opportunity of numbers of people but majority of the small tea growers have temporary workers in the tea garden. They are considered as informal wage labour. 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.

Objectives of the study:

The objectives of the study are-

1. To find out the challenges faced by daily wages workers under informal sector due to COVID-19 and its related developments.
2. To assess how daily-wage workers and their households were impacted due to COVID-19.

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 sweatshops, 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 120 responses are collected from the daily wage workers. The secondary information collected from some journals and web portals discussed earlier related to the research study. The collected data is tabulated, analyzed and interpreted using the simple percentage method as a data tool.

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	102	85.00%
2	Scarcity of work	112	93.33%
3	Decline in wages	97	80.83%
4	Increase Expenses and borrowings	108	90.00%
5	Increased health risk	88	73.33%
	Total respondents - 120		

Source: Field Survey (multiple answers considered)

The Table-1 shows that 85% 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.

93.33% 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.

80.83% 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 forlorn 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.

90% 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.

73.33% 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.

Assistance received from the government:

The Assam government announced special assistance to the poor population hit by the lockdown. Government provided free rice and financial assistance of Rs. 1000 to poor families in urban and rural areas. But some of the respondents reported that they had not received any kind of assistance or support from the government. Thus in this study, it was enquired assistance received or not by the daily wage workers. The response given by the respondents as depicted in the Table 2.

Table- 2
Assistance received from the government

Sl. No.	Response	No. of Respondents	Percentage
1	Yes	102	85%
2	No	18	15%
	Total	120	100%

Source: Field Survey

The Table 2 exhibits that 85% respondent have received government assistance. Respondent admitted to having received cash from the Panchayats. The cash receipt was of Rs. 1000 along with the dry ration from the PDS. Some of the respondents mentioned that they have received rice from the schools as a replacement for Mid Day Mil. They said that they have received the rice, dal, and nutritional powder from Anganwadi.

15% respondent stated that they have not received any support from the government. It is observed that despite the government's efforts to ensure food-security, some workers were

unable to avail the benefits of receiving financial assistance and ration packages during the months of the lockdown and thereafter. It may be due to unaware of government assistance or not appearing in time to the respective departments. Some of the respondents also raised the concern of corruption regarding PDS services in their villages.

Findings of the Study:

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

- a) 85% of the respondents stated that they have lost their income since the time of COVID19 and government imposed lockdown.
- b) 93.33% respondents stated that they have faced the problem of a severe crisis of employment opportunities during and after the period of lockdown.
- c) 80.83% respondents reported that decline in wages is another challenges they have faced during the corona pandemic.
- d) 90% respondents stated that increase in expenditure and borrowing is one of the major issues they have faced during this period.
- e) 73.33% respondents stated that increased health risk is also a challenge they have faced since the COVID-19 pandemic started.
- f) 85% respondents reported that they have received support from government by cash and kind during COVID19 pandemic.
- g) 15% respondent stated that they have not received any kind of assistance from the government.

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.

They also psychologically impacted due to the pandemic. Due to their economic situation and inability to cover expenses there was an increase in stress and anxiety among households during the period of lockdown. Despite the government's efforts to ensure food-security and financial assistance during the lockdown and thereafter, but most workers were unable to avail the benefits provided by the government.

Therefore, it can be concluded that the government, local authorities, volunteer teams and non-governmental organizations should step forward and take immediate action to save people from starvation in such grievied situation. The distribution system should be made in such a way that no one can left and deprive of from the government benefits. The daily wage workers also develop savings habit among them so that they can able to cope with such a grievied situation.

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