



NCAER releases findings of the Telephone Survey on “Impact of Coronavirus on Households in Odisha and Uttar Pradesh”

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New Delhi (July 21, 2020): **The National Council of Applied Economic Research (NCAER)** is releasing the results of its Telephone Survey on the “Impact of Coronavirus on Households in Odisha and Uttar Pradesh” today.

This survey, the latest in a series of rapid telephone surveys to gauge the impact of the Coronavirus pandemic, was conducted in collaboration with the Nossal Institute for Public Health at the University of Melbourne, during June 9-18, 2020, the second week after lifting of the lockdown, across four districts of Uttar Pradesh and Odisha (Districts Bargarh and Dhenkanal in Odisha and Chandauli and Firozabad in UP). The sample included 2068 households that were part of a larger NCAER-Nossal study on “Health Seeking Behaviour in Four Indian States”.

The objective of the study was to gain insights into the impact of the pandemic on incomes, jobs, migration, availability of essential items, and existing health conditions in the States of UP and Odisha. The survey also gauged perceptions about the return to work, concern for one’s neighbours, the reliance that can be placed on others, fears related to the virus and isolation, and faith in the government’s ability to handle the pandemic.

Major Findings of the Survey

One of the most significant findings of the survey was that 95 per cent of the households supported the lockdown imposed by the government and 92 per cent expressed confidence in the Government’s ability to deal with the COVID-19 crisis. The proportion of households reposing faith in the Government was higher in Odisha (97 per cent) as compared to UP (88 per cent).

The main findings of the survey are detailed below.

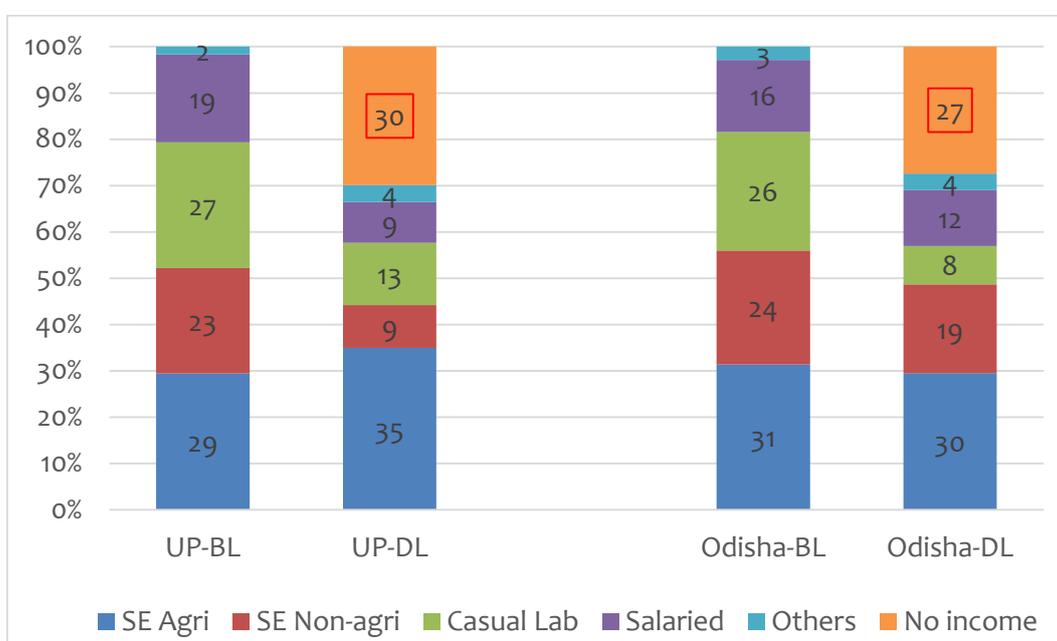
Economic Impact

- A comparison was made of the occupation structure with respect to the major source of income for the households surveyed between the two periods, i.e., before the lockdown and during the lockdown. No major variations in

occupation structure were observed between Odisha and UP before the lockdown. However, during the lockdown, UP witnessed a severe impact for households relying on casual labour or non-agricultural self-employment as their main source of income, whereas in Odisha, the impact was felt primarily by households whose members were engaged in casual labour. Figure 1 depicts the occupation-wise impact of the pandemic in greater detail.

- A matter of concern was that about 30 per cent and 27 per cent of the households in UP and Odisha, respectively, had no income during the lockdown.
- Urban households (43 per cent) reported a higher loss of income than their rural counterparts (24 per cent).
- Households with salaried members and those self-employed in agriculture experienced relatively lower loss of incomes.

Figure 1: Occupational Structure of the Households before the Lockdown (BL) and during the Lockdown (DL)



Source: NCAER Survey.

Shift in Occupations

The pandemic also caused many households to shift occupations for sustaining their livelihoods, as indicated by the figures in Table 1. About 40 per cent of the households witnessed a disruption in incomes earned from their main occupations. While 11 per cent of the households had to change their occupations, 29 per cent of the households lost all income sources during the lockdown. Table 1 also highlights different categories of the workforce that witnessed a shift in occupations and those which had absolutely no source of income during the lockdown. The highest degree of shift in occupations (18.1 per cent) and also loss of incomes (46.5 per cent) occurred among casual labourers. These figures were similar for both UP and Odisha.

Table 1: Shift in Occupation by Different Occupation Groups (% of households): Before the Lockdown to during the Lockdown

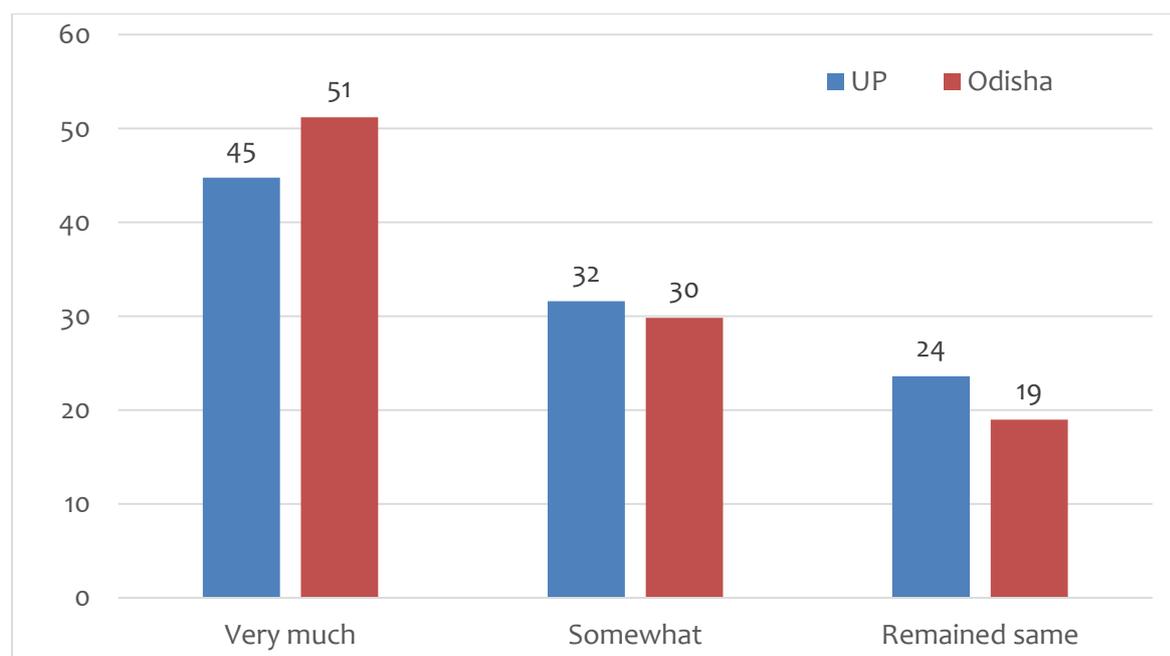
	Remained in the Same Occupation	Shift In Occupation	No Source of Income	All
SE Agriculture	86.9	2.7	10.4	100.0
Others	85.1	4.3	10.6	100.0
Salaried	58.9	14.5	26.5	100.0
SE Non-agriculture	51.2	13.6	35.2	100.0
Casual Labour	35.3	18.1	46.5	100.0
All	60.1	11.2	28.7	100.0

Source: NCAER Survey.

Impact on Income

The survey found that a large majority of households, i.e., 77 per cent in UP and 81 per cent in Odisha, reported some reduction in income (Figure 2). In UP, a higher proportion of urban households (88 per cent) reported income declines than rural households (73 per cent), but there was no significant difference in income loss between urban and rural households in Odisha. Again, households engaged in casual work (over 90 per cent) and those self-employed in non-agricultural work (80 per cent) suffered the maximum loss in incomes, with Odisha recording higher figures than UP. In both States, salaried and agricultural workers were relatively less affected by the pandemic. However, even farmers reported loss in incomes, probably because of the reduced demand for farm goods from bulk consumers like hotels and restaurants that had shut down.

Figure 2: Income Reduction (% of households)



Source: NCAER Survey.

Coping Mechanisms

Table 2 outlines the various coping mechanisms adopted by households to deal with reduction in their incomes. While falling back on savings or sale of assets was the primary source of sustenance for households in both UP (52 per cent) and Odisha (59.3 per cent), assistance from the government also helped many households in UP (46.1 per cent) and Odisha (59.4 per cent) to survive the economic distress caused by the lockdown. In UP, as many as 65 per cent of the households also resorted to borrowing money to meet expenses. Significantly, the highest proportion of households borrowing money (71 per cent) and reducing food consumption (31 per cent) were those for whom casual wage labour was the primary source of income.

Table 2: Coping Mechanisms (% of households)

	UP	Odisha	All
From current saving/selling assets	52.0	59.3	55.6
Reduced expenditure by buying less food	35.1	4.9	20.0
Borrowed money	65.3	16.9	41.1
Received assistance from friends/relatives	46.7	15.8	28.0
Received assistance from Government	46.1	59.4	52.7
	100.0	100.0	100.0

Source: NCAER Survey.

Supply Shortages of Essential Items

Table 3 depicts details of supply shortages of essential items, including vegetables and fruits, eggs, meat and fish, cooking fuel, and medicines, faced by the households, with 34 per cent and 27 per cent of the households in Odisha and UP, respectively, reporting difficulties in accessing these supplies. While one-fourth of the households in Odisha reported shortages of cooking fuel, scarcity in the supply of vegetables and fruits (reported by 19 per cent) and other food items (reported by 20 per cent) emerged as a major challenge among UP households.

Table 3: Could Not Buy Essential Items Because of Short Supply (% Households)

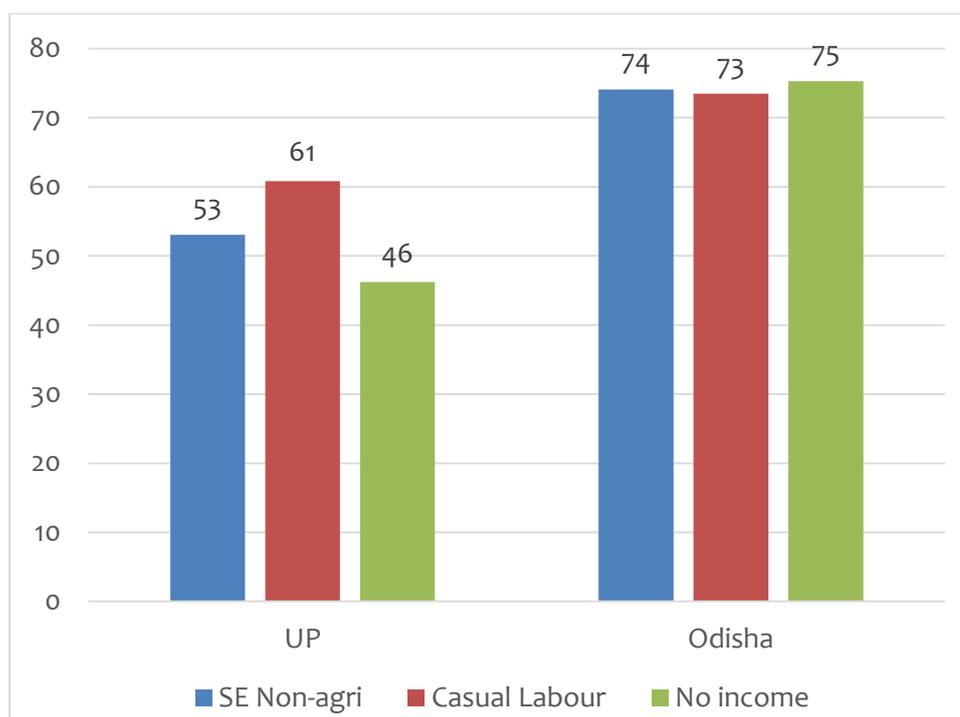
	UP	Odisha	Total
Food items	19.6	12.2	16.0
Vegetables and Fruits	18.5	13.1	15.9
Milk and milk products	12.8	13.7	13.2
Egg, Meat, fish	14.7	18.5	16.5
Cooking fuel	10.2	23.6	16.7
Medicines	8.1	14.7	11.3

Source: NCAER Survey.

Resumption of Economic Activities

The lifting of the lockdown was followed by a significant resumption of activities by the households. Figure 3 shows the proportions of households in different occupation categories that returned to work during Unlock-1. The highest figure of people returning to work (75 per cent) was reported among households in Odisha that had completely lost all income during the lockdown. Overall, even the proportions of casual labourers (73 per cent) and the self-employed in non-agriculture (73 per cent) in Odisha were higher than the corresponding figures of 61 per cent and 53 per cent in UP.

Figure 3: Return to Work (% of households)



Source: NCAER Survey.

Future Economic Outlook

The survey also asked the following question: “How do you expect the **financial situation of your household** to change over the coming 12 months?” The responses to this question, as listed in Table 4, provide some indication of future economic outlook in the two States. The findings ostensibly paint a grim picture. While 36 per cent of the households in Odisha do not envisage any change in their financial situation in the near future, 45 per cent in UP expect the situation to deteriorate even further.

Table 4: People’s Perceptions about How the Financial Situation of Their Household Would Change Over the Coming 12 Months (% of Households)

	UP	Odisha	Total
Likely to improve	25.9	32.6	29.2
Likely to get worse	44.5	19.6	32.4
About the same	14.5	36.1	25.0
Can't say	15.1	11.8	13.5
Total	100.0	100.0	100.0

Source: NCAER Survey.

Another question asked about people’s expectations about finding jobs in future: “In case the major source of household income has stopped/been lost due to COVID-19, **how much time** do you think it will take for you **to find an equivalent source?**” The responses are delineated in Table 5. As many as 53 per cent of the households in Odisha and a comparatively lower proportion in UP (33 per cent) felt that restoration of jobs and incomes would take up to six months. Overall, 9 per cent of the households opined that return of normalcy in incomes and employment could take more than a year.

Table 5: People’s Perceptions about the Time Needed to Find an Equivalent Source of Income in Case of Loss of Household Income Due to COVID-19 (% of Households)

	UP	Odisha	Total
Up to 6 months	33.2	52.9	42.8
Up to one year	26.3	15.1	20.8
More than one year	12.9	5.6	9.3
Can't say	27.6	26.4	27.0
Total	100.0	100.0	100.0

Source: NCAER Survey.

Impact on General Health Care

The survey also explored the impact of the pandemic on perceptions about health care among the respondents. More than 80 per cent of the households in both States perceived that lack of access to a health care provider would pose a problem. Further, 85 per cent of the households also envisaged that arranging money for health needs would be difficult. While 84 per cent of the households in Odisha were concerned about contracting infection during a visit to a health care facility, 80 per cent in both the States reported that access to transport would be an issue of concern.

About 81 per cent of the households also asserted that both treatment and availability of health care professionals would pose problems. While 75 per cent of the households said that reaching a health facility was a challenge, about 85 per cent were also worried that they would be stopped by the police on their way to a health care facility.

Social Impact of the Pandemic

The survey also assessed the social and psychological impact of the pandemic on households. While 95 per cent of the respondents reported living in fear of getting infected by the virus, 87 per cent expressed fear of death from the infection. Further, 79 per cent of the respondents were apprehensive about losing their jobs and family income. Thus, COVID-19 has led to multiple challenges in the lives of people across all occupations.

Some findings about the social impact of COVID-19 are, however, heartening. While 53 per cent of the households had said that they were concerned about the well-being of their neighbours before the lockdown, this figure increased to 61 per cent during the lockdown. A higher proportion of households in Odisha (81 per cent) were concerned about their neighbours than in Uttar Pradesh (41 per cent).

The above findings of the survey can help policymakers to take necessary interventions to protect the lives and livelihoods of the people.

About NCAER | The National Council of Applied Economic Research

Established in 1956, NCAER is India's oldest and largest independent, non-profit, economic policy research institute. NCAER's work cuts across many sectors, including growth, macro, trade, infrastructure, logistics, labour, urban, agriculture and rural development, human development, poverty, and consumers. The focus of NCAER's work is on generating and analysing empirical evidence to support and inform policy choices. It is also one of a handful of think tanks globally that combine rigorous analysis and policy outreach with deep data collection capabilities, especially for household surveys, in its National Data Innovation Centre. More on NCAER and NDIC is available on www.ncaer.org.

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