

NCAER releases findings of Round 3 of the Delhi NCR Coronavirus Telephone Survey

conducted by its National Data Innovation Centre

For more information, please contact: Shilpi Tripathi at +91-9953779905, <u>stripathi@ncaer.org</u> Sudesh Bala at +91-9899262692, <u>sbala@ncaer.org</u>

New Delhi (Saturday, July 4, 2020): **The National Council of Applied Economic Research, NCAER**, is releasing the results of Round 3 of its **Delhi NCR Coronavirus Telephone Survey** (DCVTS-3) today. DCVTS-3 is reporting its findings from the Delhi National Capital Region (NCR) at a turning point in India's experience with the Coronavirus pandemic. India is reopening its economy even as infections surge. The cost of remaining closed has proved to be very high.

From one of the most stringent lockdowns in the world, India is rapidly moving to ease restrictions even as the peak still seems far and infections to date nationally have crossed nearly 6.5 lakhs and are growing. Delhi NCR, with its recent surge, has climbed to third place in the country, with nearly 95,000 cases to date and the highest caseload and deaths per 100,000 population in the country. The weeks of lockdowns and reopening have led to changing attitudes and practices in Delhi National Capital Region (NCR), and to the many ways in which households are adjusting to the economic stresses that the pandemic, the lockdowns, and now the lifting of restrictions have produced. The rapid response DCVTS are designed to understand these adjustments and changing attitudes and practices.

The DCVTS team carried out **Round 1** in early April shortly after the first lockdown started. **Round 2** in late April gauged household reactions to a continuation of the first, stringent lockdown. The team fielded **DCVTS-3** at a crucial moment in mid-June when restrictions were coming off ("Unlock 1.0") starting June, but Coronavirus infections in the NCR were accelerating rapidly and the region's healthcare infrastructure and testing facilities were coming under historically unprecedented stress.

These new findings from DCVTS-3 relate to:

- ways in which the lockdowns have affected different occupational groups
- household access to welfare measures during the lockdowns, including their coverage, targeting, delivery mechanisms and bottlenecks
- difficulties after the lockdowns in getting back to work and remaining safe
- trends in social distancing and risk perceptions as the lockdowns are eased.

DCVTS-3 surveyed the metropolitan areas of Delhi as well as rural areas in the NCR's districts in Haryana, Rajasthan, and Uttar Pradesh. Reaching out to households from both the

DCVTS-1 and 2 samples, DCVTS-3 covered a sample size that was almost double the prior round sample sizes to allow for much more disaggregated analysis. This Press Note provides more data about the sample and response rates at the end.

Key findings of the DCVTS-3 and implications

As the lockdowns are eased, in order to ensure safety and reduce the chance of spreading the Coronavirus infection, communication strategies around the world have emphasised upon precautionary measures such as wearing masks to cover the nose and mouth whenever one goes outside the house, maintaining a physical distance of at least one meter (3 feet) with outsiders, washing hands frequently and thoroughly, and definitely after coming back home from outside, and avoiding crowded places and large gatherings in enclosed spaces. In DCVTS-3, we tried to capture where the people in Delhi NCR stand in terms of adhering to the above guidelines. It was found that during the one week prior to the survey date, 73 per cent of Delhi NCR's residents had gone outside their homes at least once for some reason or the other. There was no significant difference among respondents from different States in NCR, rural or urban areas, red or orange districts. Female respondents were less likely (54 per cent) to go out as compared to their male counterparts (77 per cent), which is probably true in normal circumstances as well. Although the respondents aged 60 years or above were significantly less likely to go out, still a large percentage of them (61 per cent) went out in the last one week. This suggests that we have not been fully successful in shielding the elderly, the population at maximum risk. Further, the more educated respondents and salaried workers were more likely to go out. At the same time, they are the ones who took more precautions as compared to others.

Table 1: Percentage of respondents taking precautions during their visit outside and
after returning home the last time they went out in the last one week prior to
DCVTS-3 (June 15-23)

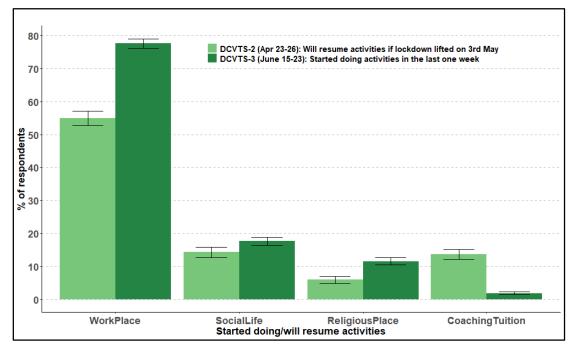
Precautions taken (%)#	Rural	Urban	Total
Wore mask/nose and mouth covering*	94.5	96.3	95.3
Used hand sanitizer	57.1	75.9	66.1
Washed hands with soap*	65.7	65.8	65.7
Maintained a distance of 3 feet or more*	44.9	46.0	45.4
Took bath after returning home	36.2	43.8	39.8
Put away clothes for washing separately	34.3	42.2	38.1
Wore gloves	6.4	15.3	10.6
Did not take any precaution	1.0	0.5	0.8
*Took all the three key precautions	31.6	32.8	32.2

[#]Percentage of respondents among those who went out in the last one week (n = 2,526)

In the context of precautions taken the last time when one went outside one's house, the use of mask was near universal (95 per cent). About 45 per cent of the respondents reported maintaining a distance of at least one meter (3 feet) with others. The percentage of respondents who had washed hands using soap after coming back home from outside was 66 per cent. A large majority of the respondents also reported using hand sanitiser (66 per cent), though it was reported more by urban respondents (76 per cent) as compared to rural respondents (57 per cent). Only 32 per cent of the respondents followed all the three precautionary measures (Table 1). Women (28 per cent) were less likely to take all the three key precautions compared to men (33 per cent). About 38 per cent of the respondents having more than 12 years of education adhered to all the three precautions, which figure is higher than respondents with lower education levels, such as those having completed 0-4, 5-9, 10, and 11-12 years of education. Salaried workers (37 per cent) were more likely to have taken all the three precautions as compared to farmers (27 per cent) and homemakers (26 per cent).

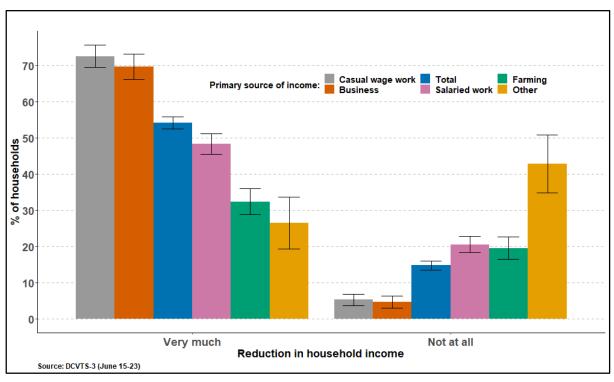
DCVTS-3 collected data on the **activities people resumed** after the unlocking procedure was initiated. In a remarkably large proportion of households (78 per cent), people had started going to their work places in the 2nd and 3rd week of June. In 18 per cent of the households, people started resuming social activities, such as visiting family, friends and relatives, or attending social functions such as marriages and birthdays. About 12 per cent of the households reported going to public places of worship like temple, mosque, gurudwara, and church, which has been allowed from June 8 onwards in areas outside the containment zones. The initiation of such activities was higher in rural areas as compared to urban areas as some urban localities were still containment zones. Educational and learning activities are yet to resume in a normal manner as they were in the pre-lockdown period as schools, colleges, and educational and coaching institutions continue to remain closed. We compared these findings with the data from DCVTS-2 (April 23-26) on the activities that people planned to resume if the lockdown were to be lifted. A higher percentage of people in Delhi NCR had actually resumed activities than those who earlier thought of resuming them (Figure 1). This is indeed a good sign for getting the economy going again, if people follow precautionary measures to remain safe. The only exception is learning activities in educational institutions. A significantly higher percentage of people wanted to resume this activity in future as reported in late April, but in reality, they could not do so because of the continued closures of schools and colleges. This may have serious consequences in terms of widening the gap in learning outcomes for children across socio-economic groups as the responsibility of educating children has shifted to households with a few exceptions where the learning process continues to function on a digital platform.

Figure 1: Comparison of activities residents of Delhi NCR planned to resume as reported during DCVTS-2 (April 23-26) and what they actually started doing as per DCVTS-3 (June 15-23)



Regarding the impact of the lockdown on **the livelihoods of people**, a vast majority (85 per cent) of the DCVTS-3 respondents reported some level of reduction in their incomes or wages in the month of May compared to the average monthly income reported before the lockdown. There was no significant rural-urban difference in the proportion of households experiencing some level of income reduction. However, a significantly higher proportion of urban households (59 per cent) reported that their income and wages had suffered "very much" compared to 50 per cent among rural households. The findings on drop in incomes during the lockdown are similar to those in earlier rounds of DCVTS and other surveys in different States across India. Households whose primary source of income was casual wage work and small businesses had suffered the most. About 73 per cent of 793 households relying on casual wage work as the main source of income reported that their income fell by a large extent ("very much"). This figure is similar to that for business households (70 per cent), based on responses from 674 households having business as the main source of income. On the other hand, less than half (48 per cent) of the 1,220 households in which salaried workers were the main bread earners reported a large income loss. Farmers (32 per cent of 632 households) were still the least affected along with the households reporting other primary sources of income such as rent, pension and remittances (26 per cent of 147) (Figure 2). About 20 per cent of salaried and farm households were hardly affected by the lockdown as they reported no reduction in income in May.

Figure 2: Reduction in income or wages in the month of May compared to average monthly income before the lockdown across households with different sources of income



The rise in prices of essential items added to the hardship caused by income loss. About 35 per cent of DCVTS-3 respondents reported that in the month of May, they experienced an increase in prices of pulses, an easy source of protein for a majority of Indian households. The proportions of households experiencing an increase in prices of other essential items such as vegetables and fruits (30 per cent), rice and wheat (26 per cent), and milk and milk products (11 per cent) were also quite substantial.

DCVTS-3 also captured the **experiences of different occupational groups** during the lockdown months of April and May in considerable detail and asked if there had been any change

in their situation around the time of the survey (mid-June). The findings show significant variations among the experiences of farmers, small business owners, workers drawing monthly salaries, and casual labourers.

Since the lockdown and till the time of the survey, almost all **farmers** (97 per cent) were continuing to harvest the Rabi crops and had started preparation for the Kharif crop. Among cultivators who usually hire labourers for agricultural activities, only 25 per cent did not hire any worker in the months of April and May primarily because of labour shortage, fear of Coronavirus infection, and financial constraints. About 35% of farmers faced some level of difficulty in selling their produce in the market, whereas about the same percentage of farmers did not face any difficulty and the remaining did not try to sell their produce, perhaps saving it for their own consumption in the crisis. About 30 per cent of farmers thought that compared to April and May, the situation regarding transportation and the selling of agricultural produce had improved during the period of the survey (mid-June). Only about 21 per cent of the farmers reported receiving a lower price than usual for their agricultural produce. In terms of the indicators mentioned above, farmers seemed to have been in much better situations during the lockdown in rural Uttar Pradesh as compared to rural Haryana and Rajasthan.

Small businesses, however, faced an existential challenge. More than half (52 per cent) of them had to suspend their activities in April and May while another 12 per cent simply closed down. The businesses that stayed open faced substantial challenges in obtaining inputs and in finding consumers. Despite some reopening in the unlocking phase, about 76 per cent of the household businesses that were open in March were functioning in mid-June. An even more alarming finding was that a large proportion (46 per cent) of the business owners thought that the overall business situation was even worse in mid-June as compared to that in the months of April and May.

Nearly 44 per cent of the **salaried employees** were able to continue their employment either part-time, full-time, or through the work from home arrangement, during the months of April and May. About 5 per cent of the salaried workers lost their jobs during this period. Among salaried workers, public sector employees were the most privileged. About 79 per cent of the government employees received full salary for the months of April and May, as compared to a corresponding figure of only 24 per cent among private sector workers. The situation, however, improved significantly in mid-June as 64 per cent of the salaried workers started going to the office or worksite.

Daily wage labourers were the most disadvantaged during the lockdown and are finding it the hardest to find work now. Two-thirds of them were unable to work at all during the lockdown and the rest found work only for some days and not others. Less than 3 per cent of the wage labourers were able to find work on most of the days during the months of April and May. The incidence of work loss was particularly high for casual labourers engaged in construction or other manual work, and somewhat lower for agricultural labourers. By mid-June, only 60 per cent of these workers were able to return to work and half of them reported that though they did find work, it was with great difficulty.

The disproportionate impact of the lockdown on household income across occupational groups is reflected in concrete markers of **distress** captured in DCVTS-3. About 44 per cent of the households from Delhi NCR had to resort to borrowing during the lockdown to meet their day-to-day consumption needs and 14 per cent of the households faced occasional situations of not having enough food due to financial constraints. The proportion of households that had to borrow money to meet their expenses was much higher for the most disadvantaged occupational group of casual wage workers (67 per cent) than small business owners (43 per cent), salaried workers (39 per cent) and farmers (34 per cent). As regards the other indicator of hardship, 24 per cent of the casual worker households suffered from occasional unavailability of food during the lockdown while this figure was much lower for other households whose primary source of income was small business (14 per cent), salaried work (12 per cent) or farming (7 per cent).

Now that the lockdown has been relaxed and people are being able to return to work or business, it is crucial to understand the **challenges they are facing in returning to work or business**. About 31 per cent of the respondents said that they did not face any challenge, with a significant difference between respondents in rural (37 per cent) and urban (25 per cent) areas. The key challenges faced by the people include the worry that they themselves or their household members may get infected (expressed by 25 per cent of the respondents) and difficulty in finding work (reported by 21 per cent of the respondents). The low demand for goods and services has also been reported as a major challenge in urban areas (10 per cent) along with employers being worried about the virus and not opening their offices or worksites (6.5 per cent).

Alongside the loss in income and wages, the DCVTS-3 also asked about government relief measures. About 58 per cent of the DCVTS-3 households received extra rations (grains and pulses) in the month of May, with significant rural (62 per cent) and urban (54 per cent) differences. The proportion of households receiving additional rations was much lower in Haryana (44 per cent) as compared to Rajasthan (68 per cent), Uttar Pradesh (66 per cent), and Delhi (61 per cent). Even though the percentage of households having ration cards was much higher in Haryana (85 per cent) as compared to Delhi (61 per cent), the use of Aadhaar card and e-coupons to distribute rations in the time of the pandemic put Delhi ahead of the curve. About 27 per cent of the households received additional cash transfers from the government in the month of May, which is relatively lower than the corresponding figure of 32 per cent in April. Combining the figures for the months of April and May, it was found that 35 per cent of the households received additional cash, again with a significant difference between rural (45 per cent) and urban (23 per cent) areas. However, the amount of the additional cash transfer was modest. In April and May, the median amounts received by rural and urban households were Rs. 1,750 and Rs. 1,000, respectively. The receipt of cash during the months of April and May was much lower in Haryana (30 per cent) than in Rajasthan (51 per cent) and Uttar Pradesh (41 per cent). A majority of the cash transfers were made through Jan Dhan accounts. Among the households that received additional cash, about 67 per cent received it through Jan Dhan accounts, followed by 23 per cent who received it through the Ujjwala Yojana. Only about 21 per cent of the households that have farming as the main source of income received money through the PM Kisan programme.

The much lower numbers for urban households receiving relief may be a cause for concern since the impact of Coronavirus continued to be greater in urban areas, with many of them being classified as high infection "red zones". Households for which casual wage work was the main source of income were the most affected by the lockdown and most in need of relief. Targeting such relief appears to be working since the proportion of such households receiving government relief is much higher than the average for all households: 78 per cent of casual wage work households received additional rations in May as compared to 58 per cent of all households, 46 per cent received additional cash in April and May (35 per cent of all households) and 38 per cent received both forms of benefits (only 25 per cent of all households).

Alongside questions on government relief measures, DCVTS-3 also asked whether the households received rations or any type of help in cash or kind from any non-government or charitable organisation or individual. About 8 per cent of the households reported receiving such relief. The continuation and enhancement of government safety net measures will be necessary, given the severity of impact on people's income and livelihood. These support measures will also need to be tweaked to include the most vulnerable as the lockdown and 'un-lockdown' continue to be implemented in a phased manner.

Conducting the DCVTS-3. DCVTS-3 was conducted by 35 interviewers over a period of nine days, June 15-23. The survey resulted in 3,466 completed interviews with an overall response rate of 66 per cent from all phone numbers called. The non-contact rate was 26.3 per cent, but among those whom we were able to contact, the response rate was remarkably high at 89.6 per cent. Most of the non-response cases were due to interviewers not being able to contact the households

because of a wrong phone number, the number was out of service, the phone was switched off or was out of the coverage area, the phone number did not have an incoming call facility, or the phone call was not picked up. The median interview length for the completed interviews was 13.8 minutes, with very little variation between the rural (14 min) and urban (13.5 min) areas.

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.

NATIONAL COUNCIL OF APPLIED ECONOMIC RESEARCH NCAER India Centre, 11 Indraprastha Estate, New Delhi 110002

Tel: +91-11- 2345-2698/2699, Email: info@ncaer.org, www.ncaer.org

NCAER | Quality. Relevance. Impact



For more information, please contact: Shilpi Tripathi at +91-9953779905, <u>stripathi@ncaer.org</u> Sudesh Bala at +91-9899262692, <u>sbala@ncaer.org</u>