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### Job creation and hiring in trade, hospitality to improve from 2022: Experts

Economists and sector experts are of the opinion that hiring and employment in trade and hospitality sectors are expected to improve from the third quarter.

All but two sectors - trade, and accommodation & restaurants saw an increase in employment according to the All India Quarterly Establishment based Survey released on September 27. Employment in trade came down by 25 percent and in accommodation & restaurant, the employment was down by 13 percent during April- June quarter.

Care Rating's Chief Economist Madan Sabnavis noted that the two sectors have been impacted sharply by the second lockdown.

"Trade had been recovering by March'21 but has been buffeted subsequently. In the case of restaurants, the operations were broadly up to 60-70 percent level by March but then slipped again with the lockdown-2. Trade, especially the supermarkets had limited hours of operation as did the smaller shops which were considered non-essential," he said.

In the case of hospitality, with severe restrictions on operations of establishments as well as movement of people, there was a drop in business, Sabnavis added.

According to Sabnavis, both trade and hospitality had to down on headcount to match lower levels of business.

Commenting on the outlook, Sabnavis said, "We can see things improving from Q3 onwards, which is October as normalcy has set in business levels and people are moving out again with the vaccination drive on. Therefore, we can see employment picking up gradually and by March 2022, should be stable and reach the 2020 March level – or at least 90 percent for hospitality."

"For trade, we could even get better than the March 2020 numbers," he added.

Ajoy Thomas, business head (retail, e-commerce, logistics & transportation), TeamLease Services, said the hotel and restaurant industry came to a standstill early this year during the second wave of the pandemic, with the majority of companies freezing their hiring plans for the fiscal.

Thomas observed that in order to cater to the demand, companies have resumed hiring for key positions like bartenders, restaurant managers, waiters and kitchen staff, amongst others as the lockdown restrictions are easing across the country.

"Hiring would continue as hospitality and retail recovers from the impact of Covid-19; in the second half of 2021 hiring will continue. The industry is at an interesting juncture where there are possibilities of creating more opportunities for individuals pursuing their goals in the hospitality sector," said Thomas.

The sector is now bouncing back to a gradual recovery of occupancy with an increase in demand, especially in the leisure market with spiked weekend bookings. The market will also see a sharp recovery in 2021 and 2022 led by domestic leisure tourism coming back to the forefront, he added.

"Although trade, accommodation and restaurant businesses are growing slowly in comparison to the other sectors, we believe that it has a massive chance of bouncing back in the upcoming quarters due to adoption of digital marketing strategies and online business operations," said Yeshab Giri, Chief Commercial Officer - Staffing & RT Professionals, Randstad India.

Currently, the accommodation industry is witnessing a steady demand due to many offers and investments being made in marketing to attract revenge travel, staycations and workations. Moreover, travel for business and leisure has picked up significantly in the past weeks and it will give the sector a much-needed push towards recovery, he added.

Giri noted that as the festive season approaches, he expects demand for these industries to increase by at least 10-15 percent as companies are actively looking to hire agile and multi-tasking professionals by the end of the quarter.