

Government Policy of House Rent Allowances (HRA) in India: Need for a Sustainable Perspective

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Abstract:

House Rent Allowance policy in government organizations have been in force since the independence of India. Government wants to provide residential quarters for their employees, so that employees could reach on their duty in time. Due to non-availability of sufficient numbers of quarters, government arranged to provide House Rent Allowances so that employee could afford a house on rent in the nearby office locality. This was done after making a survey and more or less a practical market rate could be made available to the employees. But due to coming of many new scenarios in the public, the HRA given could not compete with the practical aspects of HRA. In last two pay commissions viz 6th & 7th the HRA policy was much lucrative. Despite this all a review of the policy is required to make it more uniform and acceptable.

Keywords: Government policy, HRA, Case study, CFRI, Pathetic condition

1. Introduction

The present house rent allowances policy of government of India is having a one good interest that more and more people want to avail HRA facility. Employees living in metropolis district are more benefited as they get higher HRA than the lower class cities inhabitants. This is making poor conditions for the government quarters/houses. If we bring a policy which make friendly conditions for our government quarters by modifications and little bit change in the present HRA policy, then government quarters as well as employees both will be in win-win position. Some suggestions have been given in this paper for better HRA policy.

- (1) HRA should be given to every employees
- (2) HRA should be uniform for all type of cities.

If HRA is given to everyone, whether, the government employees live in government quarter or not. People will use this money for making their own house. This quarter/house will be in use after his retirement.

When people will live in government houses, the problem of traffic jam would be reduced as they will be in colony campus which is mostly adjustment to the office campus.

Transport load will be reduced. There is less consumption of petrol or diesel used by the government staff for reaching to the office.

Attendance will increase. Due to Bharat Bandh, State Bandh, District Bandh, Political party Bandh, Trade Union Bandh, Terrorist group Bandh. Diversion of route due to many reasons like

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construction of road, removal of debris. Any other moment like 26 January Celebration (Republic Day), 15 August Celebration (Independence Day), Puja Celebration in Centre and State.

These days government quarters are vacant because of HRA attractions. People are living in their own constructed houses/flats. Even some prefer to live in a rented house and saving some money of HRA. HRA is more and for quarter rented they pay less.

2. New Government Policy of Hra Should Be Made Like This

1. A person is entitled to take house of his/her entitled class
2. A person can take smaller houses if available, no matter, what position he is holding
3. A person can take higher class houses if available, no matter, what position he is holding.
4. Holder has to pay only the rent fixed by government no matter what he has taken lower type house or higher type of house. No double or three times charge.
5. Government will provide all maintenance facility. But in case due to paucity of fund or for any reason, maintenance could not be provided immediately, the holder of the house should be allowed to go for repair/maintenance. But it should be reimbursed on availability of fund in the organization concern.
6. All the government quarter should be maintained/made up to date so that, it attracts the taker of the quarter.
7. Even if some quarters/houses are vacant, it can be rented to the local government officials, Private Companies, Banks, Schools, Colleges, Non-governmental organization working for the common people of India or Charitable organizations working for the welfare of people.

8. The rent should not be higher for giving to outsiders. The purpose is, not to keep houses/quarter vacant. Purposes is not making of money. Occupied houses/quarters are better on looking and maintained then the unoccupied quarters.

3. Living in Government Colony Support Work Culture

Working employees living in the colony campus have more vicinity and adjustment with each others. Those who live outside have lesser chances of mixing of family members with family members of other employees working in the same organization. Living together gives more opportunity for interaction, exchange of knowledge, views, opinion, advices etc. During the time of good moments and problems, we have access of office friends, who knows me better than anybody else.

4. Reasons for Hra Should be Uniform in all Type of Cities

HRA is given to take a rented quarter in the city, when a government quarter is not available to the employee. This happens mostly because number of government quarter is less than the employees working in the department. But actual intention of giving handsome HRA is to encourage people to have their own house. People purchase a flat/house/residential plot and build a house on it after taking a loan from a bank and the loan is paid with the HRA received from the government per month.

A person, who builds his house in a plot, has to invest money equal whether he is in a metro- polis district or a second class city or a third class city or in a remote village. The rate/price of cement per bag is same everywhere. It is a company rate. The iron bars cost same everywhere. The other fittings

like tiles, marbles, sanitary fittings, electrical fittings and gadgets cost same everywhere. The sand and bricks may vary in rate/price depending on the place of production and their transportation charges. In some remote villages, where the roads are not good, the transportation charges may be higher than the city where the roads are good. Bricks in villages may be cheaper where, it is produced, while it may be costlier in cities due to long distance between production place and consumption place. High transportation charges hikes the rate.

Over all, it is find that a construction charge of a house is more or less same at both the places. When the charges are same at both the places then why the HRA paid by government to their employees is different at different places. This has no logic.

5. A Case Study of Cfri Colony

In the Central Fuel Research Institute, Dhanbad, there are about 684 government quarters. Their detail type wise numbers are given below:

Number of Type I quarter in CFRI colony - 144
 Number of Type II quarter in CFRI colony - 195
 Number of Type III quarter in CFRI colony - 122
 Number of Type IV quarter in CFRI colony - 68
 Number of Type V quarter in CFRI colony - 29
 Number of Type VI quarter in CFRI colony - 8
 Number of Type VII quarter in CFRI colony - 1
 Number of Scientist Apartments - 64
 Number of Transitory room/hostel - 20
 Number of Hostel Suits - 16
 Number of Administrative Suits - 16
 Number of Director's Bungalow - 1
 Number of Security Barrak-1

Total occupied quarters are 175. Total numbers of vacant quarters are 509. Staff strength is 192. Project Assistants have occupied 30 Scientist Apartments. Most of the people have purchased

their own flats. They have shifted in their flats. This is because only to get the HRA. Only HRA attraction made them mad to run for their own house. They are coming from far distance to attend their duties at office. Their life becomes hell. Their health is not good despite that all they are ready to not to enjoy the better life of office residential colony where the quarter is available for allotment to them. I hope that if the change in policy is made, certainly the previous hustle-bustle, noisy look, busy road will again regain in government colony.

6. The Pathetic Condition for Staff Quarters

So many staff quarters are vacant. Windows and doors are broken due to non-maintenance. Fans and light fittings are stolen. Trees of peepal (*Ficus religiosa*) are growing on walls, roofs. Seepage is on roof due to mud and dust on the water outlet passage Plasters are coming out. Outer wall is black due to non white wash/color/distemper. Bushes are grown around the quarters. Look of house/quarter is ghostly and fearful. The actual looks of the vacant quarters are worst then what is narrated above. This is because of the present HRA policy. I request to all that this paper should be read by the government officials and person who can initiate a step for bringing change in HRA policy; should take a positive step in this direction. We can help both government employees and staff quarters too.

7. CONCLUSIONS

1. People taking HRA facility live in their house, and they are allowed to come in late in office as they are coming from far distance places.
2. People living in government quarters are paying rent from salary and not getting HRA and have to come office in time as they living in office colony campus.

3. In long run HRA takers have their own house but those who do not take HRA have to search for a house after retirement from government service.
4. With the sacrifice of staff quarter taker employees, the government quarters are maintained.
5. Due to HRA takers employees, the staff quarters are devoid of maintenance and repair.

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