

Housing for the Government Employees: A Case Study on Chittagong, Bangladesh

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Abstract: *Housing is a basic human right and at the same time is the single largest expenditure item in the budgets of most families and individuals. It is also most important urban issues in both developed and developing economies. There are millions of people working for the government all over Bangladesh. From the British colonial period to today Government provides rental housing to their employees posted in various parts of the country during the service period. The house provided by the government is to be vacated by the employee after retirement. But coping with the increasing pressure for new housing and maintaining the quality of existing housing is a great challenge for the governments of developing countries. Chittagong city of Bangladesh is a case in point. This research aims at investigating the present condition of the government housing in Chittagong city and tries to suggest a comprehensive long term policy that can insure the quality and also be effective to make a balance between the demand and the supply of the housings for the government employees in Bangladesh.*

Keywords: Housing, Government Employees, Employees' Housing, Chittagong City

1. Introduction

Housing as the experts emphasize, can no longer be viewed simple as a physical structure or only as a consumer product. It has a significant social and personal impact. An effective housing can help to raise the productivity of a counties labor force and accelerate its development process. In this context the employees working in different organization of the city, who are engaged in the development process, should be accommodation in a rational way, so that they can perform their activities to their full potential. Housing is the shelter as well as index of the social health, happiness, social justice and dignity of the inhabitations. There for the obligation for employees' housing arises as the employees can have an effective role in reviving the growth of a city, which economy is over changing due to some inevitable factors. [1] There are millions of people working for the government all over Bangladesh. The idea of providing housing to the employees finds its roots in the colonial past of India as Bangladesh was part of India during that period. When capital was shifted from Calcutta to Delhi in 1911, an immediate need was felt for housing all the employees as British wanted their administrative machinery in India to be manned by people strongly committed to British rule and dedicated to their ideology, uninfluenced by local native populace. Many residential colonies were built in New Delhi (new city planned by Lutyen) for the officers and staff. [2] This trend continued even after independence and till today. Government continues to provide rental housing to their employees posted in various parts of the country during the service period. The house provided by the government is to be vacated by the employee after retirement which is 58 years of age. But this context differ due to various locational aspects both city to city and within a particular city.

Chittagong is the second largest city, prime sea port and the heart of all commercial and business activities of Bangladesh. As a result with parallel to the private employees the city has to provide housing for huge amount of government employees. Some major housing given to the government employees is CGS colony, T & T colony, Bank colony, Port colony, Railway staff colony etc. These houses are provided to the employees either in rent system or by compromising from their monthly remuneration. This research provides a sort of knowledge about the existing situation of the government employee's housing in Chittagong city and identifying the lacking of housing system of government employees. This will be effective in finding the possible solutions as it works with the key factors behind the problems. The shortcomings of the policy or legal basis will be identified and the gap between the present quality and the standard will be measured. The recommendations yielded after the analysis will be of great advantage for future policy making and planning purpose.

2. Objectives of the Study

The Objectives of this research are:-

- To analyze the existing situation of the government employee's housing in Chittagong city.
- To develop some recommendations for better housing environment for government employees housing in Chittagong city.

3. Methodology

Chittagong is the one of the oldest city of Bangladesh and divisional head quarter as well as hub of all economic activities of the country. As a result lot of government, semi-government and autonomous organizations has to setup their office in this city. Huge amount of employees work in these

organizations and most of them are provided with housing by the government. Among them CGS Colony, Bahutala Colony, T&T Colony, CDA Colony, CCC Colony, PDB Colony, Port Colony(North), CWASA Colony & BFRI Colony has been selected for the study. The research comprises of literature review, information collection from the secondary sources, documentation, interviews, and questionnaire survey conducted on October, 2017. A reconnaissance survey is being conducted in the study area for locating the spatial distribution of employees housing. The households as well as the employers have been informally interviewed. Standard statistical methods have been used to analyze the attribute data. Geographical Information System has been adopted to analyze spatial data. The findings have been agglomerated in such a way that the study can replicate the objectives. Both quantitative and qualitative data have been garnered in this research.

4. Results & Discussion

Existing situation of Employees Housing in Chittagong City

Proper and affordable housing is a crying need all over the world especially in the developing countries. Standard housing can lead discipline in the society, which can contribute to the national development. Housing is still widely considered to be principally an architectural problem. But when the questions arises with the demand and supply side perspective, the analysis of existing situation of employees housing would have to follow a wider view. In this context analysis of existing situation requires analyzing housing stress including living environment, analyzing economics of housing including cost of living, analyzing housing demand including total stock and demand.

Age, Physical Condition & Residential Density of Building

The impact of colonialism of Chittagong city is significantly strong. Moreover the historical background of city has an influence on building structure. The economic and administrative function emerges the necessity of employees housing in Chittagong city by experience the fast growth of population and industrial expansion during 50s and 60 s. In this consequence, the establishment of employees housing follow the period of 1960 to 1970. There the buildings are age old and the condition of the building varies with the year of construction and maintenance of the buildings.

Table 1: Physical Information of the Buildings

Housing	Area of the Colony (Acre)	Density (Person/Acre)*	Occupancy Rate (Floor Space /Person)	Structure Type			Physical Condition	Living Environment
				Pucca (%)	Semi-pucca (%)	Katcha (%)		
CGS Colony	41.31	128	73.33	100	0	0	M	G
Bahutala Colony	9.73	563	68.48	100	0	0	M	M
T&T Colony	7.4	270	76.96	96	4	0	B	B
CDA Colony	10	30	78.78	100	0	0	G	G
CCC Colony	5	67	70.30	100	0	0	M	G

PDB Colony	7.44	249	89.69	100	0	0	G	G
Port Colony (North)	30	511	72.72	70	30	0	M	B
CWASA Colony	7.97	55	64.84	97	3	0	G	G
BFRI	9.5	78	75.75	100	0	0	M	G

* B =Bad, M= Moderated, G=Good Source: Field Survey,2017

*Gross Density = {Public and industrial buildings + open spaces + internal roads + half the width of surrounding roads (up to 20 feet)} / Total Population

Among all the housings the physical condition of four housings have good physical condition e.g., CDA, PDB, PORT Colony, CWASA etc. On the other hand CGS Colony, T & T Colony, CCC Colony, PDB Colony, WASA, BFRI have good living environment. Due to lack of proper maintenance the physical condition of CCC colony building are poor. The building conditions affects the living environment simultaneously as the living environment depends on the circulation of air, light and structure of the building. The occupancy rate is also in a moderate rate. The lowest one is 64.84 Sft per person at CWASA Colony.

Services and Amenities

Services and amenities are very important housing components. They are also counted to measure the quality of the housing. As a qualitative matter the services and amenities are given codes for the easement of measuring. The system is renowned as Weighted Index Method.

Table 2: Services and Amenities facilities

Housing	Drainage	SWM	Water Supply	Aggregate Weightage
CGS Colony	2	3	3	8
Bahutala Colony	2	2	3	7
T&T Colony	2	2	3	7
CDA Colony	2	2	3	7
CCC Colony	2	2	2	6
PDB Colony	2	3	3	8
Port Colony	2	2	3	7
Ctg WASA	3	3	3	9
BFRI	3	3	3	9

Source: Field Survey,2017.

(Weighted index method refers weighting every outcomes of a qualitative attribute by categorizing chronologically. Drainage: Covered and Pucca=3, Pucca but not covered=2, Kutch=1, SWM: Communal bin = 2, Household Collection =3, others=1, Water Supply: Piped water supply=3, Tube well=2, others=1) The responsibility of providing these services and amenities goes to the urban service delivery agencies of Chittagong city. They are seemed to do their task sincerely in this case that is why no objection has been raised against them. Whatever the problems exist that due to maintenance problem.

Distance of the Daily Necessities

Location of the employees housing is an important component to measure the demand for the employees housing. Because it influences the travel cost and journey of the employees to the market places and working places. The direction of flow depends on the demand of the daily necessities, travel cost, travel time and available mode of

transportation. The study result illustrates that the market place closer to residence is preferable for daily necessities. After this the residents choose for the good educational institution to be situated near to their resident. In this analysis the distance is measured by the monthly travel cost to reach the destinations. The travel cost does not depend only on the distance but also on the travel mode used.

Table 3: Distance of the daily necessities

Housing	Distances of the daily necessities in terms of Transport cost (Tk./Month)					
	Working Place	Health Centre	CBD	Katcha Bazar	School	Total
CGS Colony	1000	100	0	0	0	1100
Bahutala Colony	1000	0	400	0	0	1400
T&T Colony	300	100	0	0	0	400
CDA Colony	800	100	500	200	0	1600
CCC Colony	1040	100	160	0	0	1300
PDB Colony	1200	100	400	0	0	1700
Port Colony	800	400	500	200	0	1900
CTG WASA	1040	200	500	0	0	1740
BFRI	0	500	500	0	0	1000

Source: Filed Surver,2017

Rent Structure of Employees Housing

The economy of the government employees housing needs to be analyzed to find out the affordability of them and whether they are beneficiaries or not. Here the employee's salary according to the national scale, 2009 is taken as the only income source of the employees. The average rent given by the government employees is Tk. 4.7/ Sft where as in the same case of private housing the rent is Tk. 18/ Sft (CDA,2006). So, the government employees want to gain these advantages. In this regard, the economics of employees housing illustrates the actual demand of employees housing.

Analysis on Affordability of Employees Housing

Affordability is generally used to mean the ability of bearing cost of anything. The housing expenditure is affordable when a person can ensure the basic expenditure for the rest of the non-housing expenditure from his real income. The reality is that affordability is a dynamic magnitude, which cannot and should not be restricted by arbitrary norms of bureaucrats. However, in the case of government employees housing the rate of repayment in terms of rent is fixed in a definite scale. Fig 01 shows that in the lower income group, the housing expenditure is greater than that of the non- housing expenditure. Because they have to pay 55% of their basic salary as rent which is greater than that of the higher income group (40%).

The employee's choice is affected by the variable like quality of houses, non- house expenditures like as education, foods

etc. With the increase in income, the government employees have more money left for the non-housing expenditure. At the same time they get opportunity to choose between the government and private housing to increase housing consumption.

Existing Housing Demand of Government Employees Housing in Chittagong City

The government employees of Chittagong city prefer the government provided housing for the following reasons: (i) Comparatively less costly (ii) Good living environment (iii) Security (iv) Cohesiveness among the residents

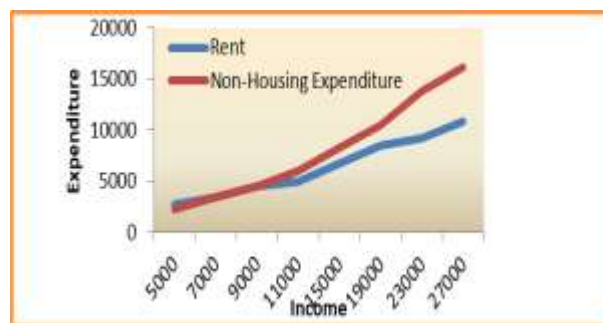


Figure 1: Affordability Analysis of Employees Housing

Table 4: Existing Housing Demand of Government Employees Housing

Housing	Total Need (Applications)	Provided to	Demand
CGS Colony	-	1312	-
Bahutala Colony	-	1193	-
T&T Colony	498	450	48
CDA Colony	178	64	114
CCC Colony	130	64	66
PDB Colony	96	66	30
Port Colony	4000	3566	434
CTG WASA	321	95	223
BFRI	240	160	80

Source: Field Survey, 2017

Correlation between demand with Income, rent, floor Space & Transport Cost

Housing demand is related with income, rent, floor Space & Transport Cost. In case of government employees the demand for housing is highly correlated with their income. This is because of the amount of repayment for the rent is higher in case of higher income employees. Table 5 reveals that there is a negative relationship between the income and the demand what means the higher the income the lower the demand for housing provided by the government.

Table 5: Correlation between Income and Demand

		Correlation between Income and Demand		Correlation between Rent and Demand		Correlation between Floor Space and Demand		Correlation between Transport Cost and Demand	
		Demand	Income	Demand	Rent	Demand	Floor Space	Demand	Transport Cost
Demand	Pearson Value	1	-0.86	1	-0.89	1	0.94	1	-0.52
	N	13	13	16	16	8	8	9	9
Income	Pearson	-0.86	1	-0.89	1	0.94	1	-0.52	1
	N	13	13	16	16	8	8	9	9

Source: Field Survey, 2017

There is also high relation between rent and demand for government employees housing. It is found in the National Pay Scale, 2009 that the government employees have to pay as rent of their basic salary by different rate for the different income categories. It shows that the demand falls gradually with increase in the rent. Here the table shows that the correlation value is negative and is strong as the P – value is within the range (0.7-1.0). This reflects that the more rent paid the less demand derives.

The table shows that the correlation between the floor space and the demand is positive; the correlation is strong as the P-value of 0.94 is within the range (0.7-1.0). Floor space has generally a positive impact on the demand. In Chittagong city the higher income government employees have to pay more for each square feet floor and they are satisfied in with that costing of housing. So, the demand behaves positively. This indicates that the more the floor space the more the willingness to pay for housing. But the relationship between the transport cost and demand is not strong, rather it is a moderate relationship as the value of P is within the range (.3 to .7). Here the transport cost means the cost of transport to reach the work place. After, deducting this cost from a basic salary the rest are used for other housing and non-housing expenditures. Thus the more the transport cost to reach the work place the less affordability gained. This suggests that the more the transport cost the less the demand for the housing derived.

Key Housing Problems in the Study Area

The first problem is the maintenance of the buildings and related utilities and services. Though all kinds of facilities are provided to the housings of the govt. employees, some of them are now out of use due to gradual deterioration and lack of proper maintenance. In some housings like as Agrabad CGS Colony, Port Colony, T&T Colony there are presence of Sublets or rent to the non-government outer dwellers. As a result the living environments of those housings are decreasing. In several housings (like as T&T Colony and the PDB Colony) there is absent of proper recreational facilities. Living environment is also a problem in housing. There is sound pollution by nearby roads.

5. Recommendation

The government employees housing at Chittagong city area is in a moderate position as compared to the total housing system of Chittagong city. The following recommendations may work as guideline to improve the overall standard the government employees housing subsystem of Chittagong city.

- There are mentionable backlog of the houses in almost every institutions surveyed. These phenomena can be removed by initializing new housing projects for the government employees housing.
- A strong monitoring system should be initiated for maintenance work and to get rid of sublet system.
- Both active and passive recreational facilities should be provided within the area.
- In case of allocation and attachment of the employees for the housing, the low income and middle income groups

should be given more preference as they are unable to afford private housing.

- The housing of the low and middle income group should be located as near to the working place as possible. It seems to the best if the housing is located within their walking distance.
- The rate of rent for the fourth class employees (55%) is quite higher than that of the first class employees (40%). As a result the low income group has a little left to expend for the non-housing expenditures having a little or no for save. The rent for the low income group should be reduced by giving subsidy in this sector.

6. Conclusion

A good living environment, security and comfort are very necessary for the housing of government employees. In this study, it is found that the living environment and physical quality of the housings of the government employees are in a satisfactory level in case of the major housings. But the main problem lies in the balance between the demand and supply of the government employees housing. Besides, issues related with the environment pollution and maintenance is also important to be checked out.

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