

Holiday Homes for Industrial Workers

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Functions

'Setting up of Holiday Homes for Industrial Workers' is a plan scheme under the Department of Labour. This scheme was initiated as a part of welfare scheme for industrial workers in 1970. Under this scheme Holiday Homes at various places of tourist interest are to be opened so that industrial workers and their families can stay there during visits to these places at nominal rent.

Findings

- In 1997-98, the expenditure on Holiday Homes was nearly four times the approved outlay. On the other hand in 1998-99, the expenditure was merely ten percent of the approved outlay. This shows the skewness in the expenditure and outlay of the scheme.
- The booking/occupancy rate in these Holiday Homes is very poor all through the year, because of poor quality.
- The amount of subsidy per visitor given through these Holiday Homes (in 2000-01) is between Rs 1,545 (for Mussoorie Holiday Home) and Rs 2,612 (for Haridwar Holiday Home).
- After studying the working of these Holiday Homes, the Evaluation Unit of the Planning Department, NCT Delhi produces an Evaluation Study Report in June 2001. The Report concluded that the Labour Department is not in a position to manage these Holiday Homes that have been functioning for the past 20-25 years, and that they should be shut down immediately. However, no action has been taken on the recommendations of the Report. The Holiday Homes continue to operate.

Reforms

The government should immediately act upon the recommendations of the Planning Department Report and terminate this scheme which is wasting the government's already meagre resources.

The Department of Labour has a plan scheme called 'Setting up of Holiday Homes for Industrial Workers.' This Scheme was initiated as a part of welfare scheme for industrial workers in 1970. Under this scheme Holiday Homes at various places of tourist interest are to be opened so that industrial workers and their families can stay there during visits to these places at nominal rent. Employees of Delhi government have also been allowed to stay in these Holiday Homes but rates fixed for these employees are higher than those for industrial workers. The tariff rates per day per room for the Holiday Homes are Rs 25 and Rs 150 for industrial workers and employees of Delhi government respectively. The tariff rates include only rent of the room. Four Holiday Homes are operating under this scheme in the cities of Haridwar, Mussoorie, Simla and Allahabad.

The budget allocations and expenditure under this scheme under the plan head are given in Table 1.

Year	Approved Outlay	Expenditure	
1997-98	13.00	55.98 *	
1998-99	40.00	10.00 *	
1999-00	40.00	4.12 **	
2000-01	2.50		

Source: Government of NCT Delhi. 2001. Evaluation Study Report on Holiday Homes for Industrial Workers. Evaluation Unit, Department of Planning

Note: * The expenditure incurred for the purchase of Flats of Holiday Homes at Simla and Allahabad,

** Out of this, an expenditure of Rs 87,950 was incurred for purchase of fabric items for Holiday Homes at Haridwar and Mussoorie. The remaining amount pertains to Holiday Homes at Simla and Allahabad.

The budget allocations and total expenditure under the non-plan head for the Holiday Home in Haridwar are given in Table 2.

Table 2: Budget Allocations Non-Plan Head Haridwar (Rs)

Year	Budget Allocation	Total Expenditure	Expenditure on				
			Salary	Rent	Electricity and Telephone	Repair And Maintenance	Other items
1992-97	20,43,000	8,58,261	3,23,327	1,65,696	37,208	48,487	2,83,543
1997-98	4,56,000	1,82,723	1,17,295	27,912	2,031	-	35,485
1998-99	5,99,000	2,80,358	1,27,989	-	7,273	-	1,45,096
1999-00	7,79,000	3,37,580	1,45,426	-	5,595	-	1,86,559
2000-01	7,10,000	1,17,546	1,10,168	-	4,793	-	2,585

Source: Government of NCT Delhi. 2001. Evaluation Study Report on Holiday Homes for Industrial Workers. Evaluation Unit, Department of Planning

The income earned from bookings and the number of bookings for the Holiday Homes in Haridwar and Mussoorie are given in Tables 3 and 4 respectively.

Table 3: Income from Bookings (Rs)

Holiday Homes	Category of Visitors	1997-98	1998-99	1999-00	2000-01
Haridwar	Industrial workers	425	130	335	1,300
	Delhi government employees	2,745	950	1,170	3,930
	Total	3,170	1,080	1,505	5,230
Mussoorie	Industrial workers	525	640	650	3,525
	Delhi government employees	4,500	4,100	2,010	15,590
	Total	5,025	4,740	2,660	19,115
Total Income		8,195	5,820	4,165	24,345

Source: Government of NCT Delhi. 2001. Evaluation Study Report on Holiday Homes for Industrial Workers. Evaluation Unit, Department of Planning

Table 4: Number of Bookings (In persons)

Holiday Homes	Category of Visitors	1997-98	1998-99	1999-00	2000-01
Haridwar	Industrial workers	24	14	20	30
	Delhi government employees	68	41	29	13
	Total	92	55	49	43
Mussoorie	Industrial workers	29	3	27	36
	Delhi government employees	74	53	39	40
	Total	103	87	66	76
Grand Total		195	142	115	119

Source: Government of NCT Delhi. 2001. Evaluation Study Report on Holiday Homes for Industrial Workers. Evaluation Unit, Department of Planning

The number of employees in the Haridwar and Mussoorie in the year 2001 are given in Table 5.

Table 5: Number of Employees (In persons)

Designation	Haridwar		Mussoorie	
	Sanctioned	In Position	Sanctioned	In Position
Manager	1	1	1	1
Peon/Chowkidar	1	1	1	1
Part Time Sweeper	1	1	1	1

Source: Government of NCT Delhi. 2001. Evaluation Study Report on Holiday Homes for Industrial Workers. Evaluation Unit, Department of Planning

Problems

From Tables 1 and 2 it is evident that the scheme of Holiday Homes for industrial workers has inherent problems.

First, vast sums of money are being spent on this scheme. Apart from the working expenditures of salaries, rent, electricity and maintenance, a lot of money is being spent on the unspecified 'other items.' For example, during the Eighth Five Year Plan the expenditure on 'other items' for Mussoorie and Haridwar was Rs 3.86 lac and Rs 2.84 lac respectively.

Second, in 1997-98, the expenditure on the Holiday Homes was nearly four times the approved outlay. On the other hand in 1998-99, the expenditure was merely ten percent of the approved outlay. This indicates skewness in expenditure and outlay of the scheme and the inherent inefficiency.

Third, a comparison of the expenditures and earnings shows that the earnings are far less than the expenditure incurred. The Holiday Homes do not even reach the break-even point. They are not able to cover even their running costs. Table 6 gives the average cost per person of running the Holiday Homes and the actual amount paid by the visitors.

Fourth, even the managers of these Holiday Homes agree to the mismanagement. They agree that the Holiday Homes are ill maintained and have not been renovated and updated for years. They have also voiced the lack of attention shown by the Department of Labour towards these issues.

Fifth, if attention is paid to the booking table it can be observed that more Delhi government employees make use of these Holiday Homes than industrial workers. This may be because of lack of

awareness among the industrial workers regarding this scheme. Hence the whole purpose of the scheme has been defeated.

Table 6: Running Costs per Visitor (Rs)

Holiday Homes and Year	No. of Visitors*	Running Costs**	Running Costs/Person	Income/Person	Amount of Subsidy/Person	
Haridwar	1997-98	92	1,82,723	1,986	35	1,951
	1998-99	55	2,80,358	5,097	20	5,077
	1999-00	49	3,37,580	6,890	31	6,859
	2000-01	43	1,17,546	2,734	122	2,612
Mussoorie	1997-98	103	2,73,147	2,652	49	2,603
	1998-99	87	3,18,513	3,661	55	3,606
	1999-00	66	4,41,212	6,685	40	6,645
	2000-01	76	1,36,592	1,797	252	1,545

Source: Government of NCT Delhi. 2001. *Evaluation Study Report on Holiday Homes for Industrial Workers*. Evaluation Unit, Department of Planning

* No. of Visitors = industrial workers + Delhi government employees

** Running Costs = salary + rent + electricity and telephone + repair and maintenance + other items.

Sixth, the booking/ occupancy rate in these Holiday Homes is very poor all through the year. This is because of the poor quality of these Holiday Homes. In order to explore the possibility of running these Holiday Homes on private management contract basis, a study team from the Planning Department contacted some local operators in these cities. However, the condition of these Holiday Homes is so poor that local private hotel operators have refused to operate them on a contract basis. According to them they can think of operating them only if they are renovated and fully furnished.

After studying in detail into the working of these Holiday Homes, the Evaluation Unit of the Planning Department, NCT Delhi produced an Evaluation Study Report in June 2001. The Report concluded that the Labour Department is not in a position to manage these Holiday Homes that have been functioning for the past 20-25 years. Also according to the Report, since the Holiday Homes are not achieving any social objective, given the negligible number of industrial workers visiting these Holiday Homes, the ones at Haridwar and Mussoorie should be closed forthwith. The property purchased at Simla and Allahabad for setting up new Holiday Homes should also be disposed off without incurring any further expenditure. However, no action has been taken on the recommendations of the Report. The Holiday Homes continue to operate.

Reforms

The government should immediately act upon the recommendations of the Planning Department Report and terminate this scheme which is wasting government's already meagre resources.

References

Government of NCT Delhi. 2001. *Evaluation Study Report on Holiday Homes for Industrial Workers*. Evaluation Unit. Department of Planning