

Communication

A Struggle for Meal Benefits

Bro. R. Karthik Shekhar

Over the past ten years, while food prices have more than doubled, meal benefits available to workers have remained stagnant. In the context of increasing inflation, meal benefits as a proportion of the wage bill have therefore dramatically fallen. Instead of viewing meal benefits as an inherent right of workers, the state has viewed them as peripheral and fringe benefits, and therefore has placed tax restrictions on them. It is argued here that struggling for improving the meal benefits to Rs. 125 per meal is necessary to ensure that organisations provide adequate meal benefits to their employees. Further, trade union action around issues such as meal benefits have the potential to democratise employment relations and society, as they can expand the scope of meal benefits to include contract and informal sector workers who are implicitly tied to organisations through their work.

Bro. R Karthik Shekhar is General Secretary, UNITES Professionals, India. E-mail: karthik.shekhar@unitespro.org

Introduction

According to World Bank estimates, rising food prices between October 2010 and January 2011 drove 44 million more people in the developing countries into poverty (Sundaram, 2011). Access to nutritious food is a part of the democratic entitlements of the working class. Unfortunately, the government in India has failed to revise the meal benefits available to workers during the past ten years when the food prices have more than doubled. Yet the income tax exemption limits available for meal benefits have not been revised. It may be felt that the struggle for raising the income tax limits of meal benefits for workers within the organised sector in India is an elitist articulation when lack of access to food security is pushing many workers in the informal sector into deeper recesses of poverty.

However the struggle for raising the income tax exemption limit for meal benefits must be seen in the light of the work organisation moving towards becoming a total institution, and the corresponding decline in the spaces of resistance (Jackson & Carter, 2011). What appears as a trivial struggle is an important entitlement for workers. The right to nutritious food

in the workplace is a right that guarantees the nourishment of the worker's body. Once these benefits are asserted as an important entitlement within the organised sector, and rights such as appropriate income tax limits are preserved, then the benefits available to organised sector workers become a benchmark and standard for the state to provide to the informal sector workers as well. The informal sector workers can argue against the inequality and discriminatory framework in not extending access to food security to them. Access to food security in the context of a community has been linked to the ideals of community self reliance and social justice (Hamm and Bellows, 2003). Thus, the erosion of food related entitlements for workers in the formal sector reflects a loss of rights that have been earned over a period of time. The erosion of rights in the formal sector can often be a precursor to the marginalisations that follow in the informal sector. Neoliberal agendas are often advanced after crushing the collective action of workers within the organised sector. Therefore, it is necessary to contest the erosion of rights that takes place in the formal sector on account of the deterioration in the quality of democratic entitlements such as meal benefits.

Access to food security in the context of a community has been linked to the ideals of community self reliance and social justice

Due to the limits of meal benefits remaining stagnant, the quality of nutritious food available to workers has suf-

fered greatly. A limit of Rs. 100 per day has been placed on the meal vouchers that could be handed over to employees. Consequently, companies in the Information Technology and Information Technology Enabled Services sector are functioning within this limit of Rs. 100. Thus meal benefits which should have been revised to upto Rs. 200 continued to remain at Rs. 100 thereby reducing the quality of food available to workers. This indicates the processes of extraction of surplus by avoiding payments which must be legitimately made to workers. It is the erosion of the workplace as a site of welfare as adequate free meals are an important welfare measure that should be available to workers. According to CBDT circular no. 15/2001 [F.No.275/192/2001-IT(B) of 2001, free meals provided in the workplace are a staff welfare measure. Expenses upto Rs. 35 per meal were treated as a staff welfare measure and if the expenses pertaining to the meals increased beyond Rs. 50, then these expenses were treated as perquisites available to workers. Dominant perspectives of organisational development require workers to interact candidly with each other and take greater responsibility for their actions as organisational members (Nielsen, 1984). Trade union action which argues for meal benefits reverses this paradigm and argues for organisations to take responsibility for its members and ensure that their welfare interests are taken care of. Further, candidness is required in speaking up to power in organisations and ensuring greater democratisation of organisational spaces.

Situating free meals as welfare benefits could also lead to an increased productivity of employees within the organisation. Yet the state has failed to realize the importance of such welfare measures and thus has not yet revised the income tax exemptions available for such measures. Tax exemption was provided in India for Rs. 50 per meal in 2001. During this year the tax exemption had increased from Rs. 35 to Rs. 50. However during the past ten years, this tax exemption has not been raised. It is a standard practice in most other countries to increase the tax exemption based on the consumer price index every 2 to 3 years. Another advantage of providing meal benefits to workers in the organised sector is that it is a measure which could help in arresting inflation (Carrasco and Mukhopadhyay, 2012). Since the food related needs are met in their workplace, workers need not undertake their own individual efforts to meet their food needs. The collective efforts of the organisation would reduce the individual consumption expenditure of workers, thus helping in reducing inflation. When the food related needs of workers are met in the workplace, then their sense of food security is enhanced, and they can use their income for other purposes such as education, health or other consumption needs (Crush, Hovorka and Tevera, 2011).

The International Labour Organisation (ILO) looks at the provision of food in the workplace not only as a measure which can increase the productivity of the workforce but also as a part of occupational safety and health, and social pro-

tection agendas (Wanjek, 2005). For the purposes of assessing food related inflation, using the Wholesale Price Index (WPI) in India may be misleading, as the weight of food related items is only 14% in the WPI. On the other hand the weight of food related items in the Consumer Price Index (CPI) is 50%, and therefore may provide a more realistic assessment of food related inflation. Another index which is useful in assessing food related inflation in India is the Commodity Food Price Index (CFPI) which includes cereals, vegetable oils, meat, seafood, sugar, bananas and orange price indices. Both the CPI and the CFPI confirm that food related prices in India have increased by more than 100% over the past ten years. Consequently, meal benefits as a proportion of the salary of workers has declined over the past five years. Using data from the website paycheck.in, it can be assessed that meal benefits as a percentage of the total wages was 6.33% in 2006, but it declined to 2.39% in 2011. In the Information and Communication industry, meal benefits as a proportion of the total salary was already low at 2.63% in 2006, and this further declined to 1.69% in 2011. This indicates that the entitlements of workers pertaining to access to nutritious food in the workplace are being eroded in today's time.

Entitlements of workers pertaining to access to nutritious food in the workplace are being eroded in today's time.

Nair and Eapen (2012) suggest that food inflation in India in recent times has

been on account of supply side constraints and not on account of a shift in consumption patterns to high value food. This implies that even those in the middle class, who might have relatively better income securities have not been able to make the transition to high value food. Consequently, there may be no lifestyle effects visible with regard to food consumption, and people may be affected in similar ways. Subsidising food in workplaces is not being argued for middle class workers alone, it is being argued as a universalist welfare measure that must be available to all workers. Workers engaged in manual labour also have energy needs, and in the context of relatively low incomes, need mechanisms such as meal benefits to sustain their nutritional requirements. Another advantage of providing meal benefits to workers in the organised sector is that once their food needs are taken care of, they will be able to shift consumption to other needs. This increasing sustain production in the economy, and also benefit informal sector workers. Further, emphasizing meal benefits places an important focus on meeting food needs within the employment relationship. Once the employment relationship becomes the site for absorbing food related expenses, then shifts in food prices to the benefit of farmers and other agricultural labourers can also be expected.

Thus, meal benefits can form an important social justice agenda and it is necessary for trade unions to struggle for these benefits. The continuing food crisis indicates that market based solutions and other technical developments which lead to improvement in agricultural pro-

duction are not adequate in resolving food issues (Wise & Murphy, 2012). It is also necessary to resolve inequities in consumption and provide space for a welfarist policy. One good beginning could be by ensuring the expansion of meal benefits in workplaces in developing countries. This would greatly help in stabilizing demand and could be an important contribution in addressing the global food crisis. Rather than demand being driven by collective consumption, this would ensure that demand is driven by organisational communities. In order to meet the needs of food for the urban poor, an informal economy has evolved in Asian and African cities which meet their requirements at low costs (Drakakis-Smith, 1991). When meal benefits are given to workers, plans to tap into complex networks pertaining to food production and distribution in the informal economy should be evolved, so that meal benefits can be integrated with the upgradation and provision of decent work of food related workers in the informal economy. This would also raise the quality of food produced in the informal economy and benefit the population at large. Thus, creative implementation of meal benefits not only takes care of the rights of workers in the immediate workplace, but also has other developmental implications.

Creative implementation of meal benefits not only takes care of the rights of workers in the immediate workplace, but also has other developmental implications.

Meal Benefits & Democratisation of Workplace

A survey of the increase in the prices of meals in hotels and restaurants across the country indicates that meal prices have increased on an average by 208.68% between 2001 and 2012 with the standard deviation of the increase in prices being 63.51%. This indicates that meal prices have more than doubled during the past decade, and thus it is necessary that the meal benefits available to workers should also proportionately increase. When trade unions struggle for democratisation of society and the workplace, then issues of accountability and participation become important in the movement, and successful movements are able to mitigate hierarchically structured relationships among members (Aiyede, 2004). The struggle for meal benefits is an appropriate site for democratisation of employment relations as it represents an implicit erosion of the rights of workers. It represents a framing of issues where the interests of workers are in intersection with political decision making processes. It has been suggested that when citizens are able to deliberate on conflicting perspectives pertaining to an issue, then they are able to overcome elite influences in framing policy, and this deepens the quality of democracy (Druckman & Nelson, 2003). Thus, issues such as meal benefits where multiple perspectives exist on how the rights of workers can be improved can become sites for contesting elite policy making, and ensuring that grounded voices can become important in the processes of decision making.

Union Network International (UNI) Global Union has argued that meal benefits should be linked to the dearness allowance of employees, and since the food prices have more than doubled during the past ten years, meal benefits should be increased to at least Rs. 125 with effect from April 2012. If the rights of organised sector workers are protected, then their voice in decision making processes gets established to a greater degree. Then, they are empowered to fight for the rights of all workers, including informal sector workers. On the other hand, if the rights of organised sector workers are eroded, then it becomes difficult to sustain the rights of informal sector workers as well. Also, while collectivising new economy workers such as Business Process Outsourcing (BPO) workers, it is necessary to raise specific issues around which collectivisation can occur. Since BPO companies argue that they are enlightened workplaces, by pointing out that they are not providing meal benefits which are in line with food inflation, the gaps between promise and practice can be pointed out, and the need for collectivisation can be indicated to employees. Then over a period of time, coalitions can be built between trade unions from different sectors. Trade unions are inherently linked to political democracy as their bargaining power represents the quality of democracy prevailing in a political economy (Kukreja & Madureira, 1988). Thus, issues such as meal benefits in the Information Technology Enabled Services sector (ITES) represent bargaining issues which can enhance the strength of trade unions, and over a period of time contribute to the quality of democracy.

It is interesting to note that meal benefits between 1997 and 2001 were tax free up to an amount of Rs. 35 per meal to be provided to an employee. Along with an increase in wages and in the interests of redistribution of income, a policy option is to increase the amount up to which meal benefits will be exempt from taxes. Further, a higher ceiling of tax exemption can be provided if the meals can be sourced from micro-enterprises or the informal economy, where organisations partner with trade unions to increase the level of decent work in the informal economy. Such measures can lead to the transform the political economy in terms of a progressive labour politics. Thus, trade unions can articulate their demands in terms of building linkages with various sectors of the economy and bringing about change in society. Democracy requires grass roots empowerment rather than the subordination of labour interests to that of the parliamentary elite and the use of mass media for strategic advertisements in communicating with citizens (Bashevkin, 2000). Issues such as meal benefits can generate grass roots level deliberation and can thus become a forum for the expression of voices of workers. Also, beginning with issues such as meal benefits, workers can begin to realize the strength of collective action and the need for workers to unionize and maintain a vibrant grassroots culture within trade unions.

Issues such as meal benefits can generate grass roots level deliberation and can thus become a forum for the expression of voices of workers.

There was a change in the government policy pertaining to meal benefits between 2001 and 2005. While the magnitude of meal benefits available to workers increased from Rs. 35 to Rs. 50, for the first time, the government started assessing whether meal benefits could be classified as perquisites. The fact that meal benefits could be classified as perquisites is by itself not as problematic an issue as the fact that such decisions were taken unilaterally by the government without consultation with the trade union movement. National Sample Survey data of the 66th round indicates that the growth in consumption expenditure of non food items has been higher than the consumption expenditure of food items during the past two decades (Gupta, 2012). This indicates that during times of economic instability, transition and crisis, food related consumption can show a secular decline. Therefore, it is necessary that organisations as workplaces intervene to sustain food consumption trends. The creation of organisational interventions institutionalises food consumption thereby creating a sense of stability in the production, distribution and consumption of food. It has been argued that if economic reforms are pushed in the retail sector and if the modernisation of the retail sector is allowed, then there will be a reduction in food prices (Shah, 2011). Rather than supply side solutions of this nature, it may be worthwhile to pursue demand side solutions by ensuring that workplaces are held responsible for meeting the food needs of their employees, and such responsibilities can be expanded to ensure the food security of

citizens. Over a period of time, organisations can be held responsible not only for meeting the food needs of employees who are formally contracted with them, but also the food needs of workers from the informal sector or contract workers with whom there are implicit work related contracts.

Trade unions can expand their campaigns for extending meal benefits to all these workers associated with an organisation.

Trade unions can be held responsible for carrying out ethnographies for establishing a sense of all the contract workers and informal sector workers implicitly related to organisations. Trade unions can expand their campaigns for extending meal benefits to all these workers associated with an organisation. Where these workers may be contributing to multiple organisations, trade unions can act as intermediaries in ensuring that these organisations share the cost of the meal benefits of these workers. Ensuring that trade unions are institutional mechanisms in providing meal benefits to workers across formal and informal contexts would mean that trade unions work towards a process of registering these workers. Apart from expanding the constituencies of trade unions, this has the potential to democratise society in strong ways. It will ensure a voice and agency for informal sector workers, and bring into place an effective and credible mechanism for providing citizens with food security in India. When trade unions take up such responsibilities then social

coalitions such as the ones between the Zapatista movement in Mexico and independent labour can be recreated and the space for a progressive politics can be crafted (Khasnabish, 2005). Through arguments and mechanisms of ensuring food security, trade union action can cut across inequalities and insecurities of different sections of society, and bring about a collectivisation of issues and interests. The possibility of trade union action being strongly embedded in social justice agendas then becomes a more coherent possibility.

Conclusion

From 2005 to 2009, the government did not specify any tax limitations; however an electronic meal card with an upper limit of Rs. 100 per day became a de facto standard for meal benefits. In interrogating realities such as meal benefits in the knowledge economy, trade unions can remain relevant to the interests of the working class. By beginning with concrete instances such as meal benefits, they can establish that they continue to retain their vitality as representative institutions of the working class and they cannot be easily written off (Sheth, 1996). Issues such as meal benefits are also an opportunity for trade unions to expand the constituency of the working class, and make corporations and organisations responsible for the food security of the entire gamut of workers who work for them – from organised sector workers who are formally tied to them to informal sector and contract workers as well. This can help trade unions in realizing their roles as actors who play an impor-

tant role in implementing social justice agendas. They can become a unifying force in collectivising workers from different contexts and articulating common and shared agendas on their behalf.

It has been suggested that in order to remain relevant, trade unions need to reach out to temporary workers, part time workers, ethnic minorities, migrants and other marginalised groups, and build collaborations with them outside the workplace as well (Wills, 2001). Trade unions need to build thick relationships with their constituencies and need to bring about a sense of agency and voice in them. Workers need to feel that their agency is important in constructing the character of the trade union. Once trade unions become spaces of wide ranging deliberations among a plurality of workers, they can strive to formulate and implement social justice agendas. For this to happen, trade unions need to begin work on concrete, material issues that are applicable for a wide range of workers. Food is an issue that is relevant for workers in the formal and informal sectors, and can become a creative bridge between them while articulating common issues. Interesting collective expressions can be generated around the issue of food as trade unions seek to bring about changes in policy at the level of organisations and the state. These collective expressions can then expand to a wider range of rights and more encompassing notions of social justice over a period of time. Labor can become a constituency which the politics of the state cannot easily ignore.

In achieving the ideals of social justice and ethics, governmental intervention may often be necessary (Marens, 2007). While articulating discourses such as increasing meal benefits and increasing the range of workers to whom these benefits are available, trade unions need to centre these discourses around ethical imaginations which inspire workers. Meal and food benefits need to be framed as central issues which need to be satisfied within the domain of the employment relationship. Governmental intervention which facilitates and enables corporations and organisations as important actors who must provide food related benefits to workers directly contracted by them, and others whose work they are dependent on, can go a long way in achieving food security. It can also create the basis of a progressive labour politics where the aspirations of workers become central to political processes of decision making.

Meal and food benefits need to be framed as central issues which need to be satisfied within the domain of the employment relationship.

References

- Aiyede, E. R. (2004), "Labour Unions and Human Rights NGOs in the Democratisation Process in Nigeria", *Development in Practice*, 14(1/2): 224-33.
- Bashevkin, S. (2000), "From Tough Times to Better Times: Feminism, Public Policy, and New Labour Politics in Britain", *International Political Science Review*, 21(4): 407-24.

- Carrasco, B. & Mukhopadhyay, H. (2012), "Food Price Escalation in South Asia", *Economic and Political Weekly*, 47(46): 59-70.
- Crush, J., Hovorka, A. & Tevera, D. (2011), "Food Security in South African Cities: The Place of Urban Agriculture", *Progress in Development Studies*, 11(4): 285-305.
- Drakakis-Smith, D. (1991), "Urban Food Distribution in Asia and Africa", *The Geographical Journal*, 157(1): 51-61.
- Druckman, J. N. & Nelson, K. R. (2003), "Framing and Deliberation: How Citizens' Conversations Limit Elite Influence", *American Journal of Political Science*, 47(4): 729-45.
- Gupta, S. (2012), "Food Expenditure and Intake in the NSS 66th Round", *Economic and Political Weekly*, 47(2): 23-26.
- Hamm, M. W. & Bellows, A. C. (2003), "Community Food Security: Background and Future Directions", *Journal of Nutrition Education and Behavior*, 35(1): 37-43.
- Jackson, N. & Carter, P. (2011), "In Praise of Boredom", *Ephemera*, 11(4): 387-405.
- Khasnabish, A. (2005), "They Are Our Brothers and Sister : Why Zapatismo Matters to Independent Labour in Mexico", *Anthropologica*, 47(1): 101-14.
- Kukreja, S. & Madureira, A. P. (1988), "Political Democracy, the International Economic Order and Labor Unions", *International Review of Modern Sociology*, 18: 93-106
- Marens, R. (2007), "Returning to Rawls: Social Contracting, Social Justice, and Transcending the Limitations of Locke", *Journal of Business Ethics*, 75: 63-76.
- Nair, S. R. & Eapen, L. M. (2012), "Food Price Inflation in India (2008 to 2010): A Commodity wise Analysis of the Causal Factors", *Economic and Political Weekly*, 47(20): 46-54.
- Nielsen, E. H. (1984), *Becoming an OD Practitioner*, New Jersey: Prentice Hall.
- Sheth, N. R. (1996), "We, the Trade Unions", *Indian Journal of Industrial Relations*, 32(1): 1-20.
- Sundaram, J. K. (2011), "Global Food Price Increases and Volatility", *Economic and Political Weekly*, 46(22): 20-23.
- Wanjek, C. (2005), *Food at Work: Workplace Solutions for Malnutrition, Obesity and Chronic Diseases*, Geneva: International Labor Organisation.
- Wise, T. A. & Murphy, S. (2012), "The Continuing Food Crisis: Global Policy Reforms" Lag", *Economic and Political Weekly*, 47(8), 39-44.