



## INDIAN FEDERATION OF APP-BASED TRANSPORT WORKERS

The Labour Department, Government of Karnataka

Dear Sir

Sub: Submission of suggestions to the Government of Karnataka to improve the Karnataka Platform Based Gig workers (Social Security and Welfare) Bill, 2024

On behalf of the Indian Federation of App based Transport Workers (IFAT) and Vidhi Centre for Legal Policy (Vidhi), we would like to share with you our suggestions for improving the Karnataka Platform Based Gig workers (Social Security and Welfare) Bill, 2024 ("the Bill") which was made public for comments on the 29th of June, 2024. We had conducted a round table discussion on the 9th of July, 2024 which saw the participation of representatives of unions, civil society organisations and researchers in this area. These submissions are the result of the cumulative efforts of the following persons and organisations who have contributed to the same:

- 1. Shaik Salahuddin, Telangana Gig and Platform Workers Union
- 2. Sangam Tripathy, Indian Federation of App Based Transport Workers
- 3. Chandan Kumar, Hamal Panchayat
- 4. Alok Prasanna Kumar, Vidhi Centre for Legal Policy
- 5. Deepa Padmar, Vidhi Centre for Legal Policy
- 6. Varini G, Vidhi Centre for Legal Policy
- 7. Janaki Srinivasan, IIIT Bangalore and Fairwork India
- 8. Anita Gurumurthy, Nandini Chami and Sadhana Sanjay, IT for Change
- 9. Soujanya Sridharan, Aapti Institute
- 10. Ritvik Gupta, Aapti Institute
- 11. Mounika Neerukonda, Fairwork India
- 12. Tony Mathew, Fairwork India
- 13. Rakshita Swamy, Social Accountability Forum for Action and Research (SAFAR)
- 14. Nikhil Dey, Mazdoor Kisan Shakti Sanghatan
- 15. Inayath Ali, Karnataka App Based Drivers Union
- 16. Shiva Kumar and Selvi, Gig and Platform Services Workers Union (GIPSWU)
- 17. Chiara Furtado, Centre for Internet and Society
- 18. Nishkala Sekhar, Centre for Internet and Society

At the outset, we welcome the Karnataka government's initiative to pass a law that will protect the rights of platform based gig workers, create a Board for their welfare and levy a fee to fund the initiatives to provide social security to such workers. We are also happy that the draft of the Bill has been made publicly available and the public's inputs sought. We share the Karnataka government's concern for the welfare of platform based gig workers and in that spirit we have made the following suggestions to ensure that the Bill has the intended effect.

In making our suggestions, we have the following considerations in mind:









## INDIAN FEDERATION OF APP-BASED TRANSPORT WORKERS

- 1. The Bill should set the standard for platform based gig workers' rights not just in India but globally. We believe that Karnataka has an opportunity here to pass a law that will be globally recognised as an important measure to protect the interests of gig workers in the context of the platform economy.
- 2. The rights of platform based gig workers should be spelt out as clearly as possible within the legislation itself while the specific details can be left to the rules.
- 3. Non-transparent algorithms which are at the heart of the platform economy should be reined in by laws to ensure that the worker does not suffer from arbitrary decisions taken as a result of these algorithms.
- 4. The tripartite model of protecting the welfare of unorganised sector workers informs not just the functioning of the Board but also the manner in which the law is enforced and implemented, apart from the schemes being funded.
- 5. The law is designed in a way to ensure that the State Government can effectively implement it from the first day on which it is passed and that there are no confusions over its constitutionality.

With these preliminary thoughts, we are hereby sharing our clause-by-clause suggestions to the draft Bill. Our suggestions have been made in track mode and we have indicated our reasons for proposing the same in the column next to the text of the Bill.

We thank you once again for the initiative to pass this law and we offer our suggestions in the constructive spirit of ensuring the best possible protections for gig workers in the State.

Thanking you,

Sincerely,

Shaik Salahuddin, National General Secretary,

**Indian Federation of App-based Transport Workers (IFAT)** 

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Alok Prasanna Kumar, Co-Founder, Vidhi Centre for Legal Policy







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#### Karnataka Platform based Gig Workers (Social Security and Welfare) Bill, 2024

#### **Object and Purpose**

A bill to protect the rights of platform based gig workers, to place obligations on aggregators in relation to social security, occupational health and safe transparency in automated monitoring and decision-making systems; to provide dispute resolution mechanisms; to establish a Welfare Board and to create a welfare fund for platform based gig workers; to register platform based gig workers and aggregators in the State, and to provide for matters connected therewith or incidental thereto.

Whereas it is necessary to protect the rights of platform based gig workers, to and place obligations on aggregators in relation to social security,; occupational health and safety; transparency in automated monitoring and decision-making systems; to provide and to avail dispute resolution mechanisms; to establish and to constitute a Welfare Board and to create a welfare fund for platform based gig workers; to register platform based gig workers and aggregators in the State, and to provide for matters connected therewith or incidental thereto.

Whereas platform based gig workers work in conditions of extreme vulnerability and precarity and are are not adequately compensated for their efforts;

Whereas platform based gig workers played an important role in ensuring that the Covid-19 pandemic was managed by citizens and government but did not receive adequate recognition or compensation for the same;

Whereas the profusion of automated monitoring and decision making systems has created new challenges for worker welfare;

and whereas the tripartite model of providing social security to unorganised sector workers needs to be adopted and adapted to protect the rights of platform based gig workers.

Be it enacted by the Karnataka State Legislature in the seventy fifth year of the Indian Republic.



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| Section No.  | Heading  | Section with suggested changes   | Reasoning for suggested change   |
| Chapter 1: P | reliminary   |  |  |
| 1.           | Short title, extent, commencement and application. | <ol> <li>(1) This Act may be called the Karnataka Platform based Gig Workers (Social Security and Welfare) Bill, 2024.</li> <li>(2) It extends to the whole of the State of Karnataka.</li> <li>(3) It shall come into force within a period of 120 days or on such date as the State Government may, by notification in the Official Gazette, appoint, whichever is earlier:     Provided that the provisions of the Act shall be deemed to have commenced on the date of notification.</li> <li>(4) It applies to:         <ol> <li>(i) an aggregator providing any one or more services specified in Schedule I; and</li> <li>(ii) any platform based gig worker and a platform as defined by the Act.</li> </ol> </li> </ol> | The Act must specify the time period within which it shall come into force, ir order to prevent delay in the implementation of welfare and enforcement of the legislation.   |
| 2.           | Definitions.                                       | <ul> <li>(a) "Automated monitoring and decision making systems" means systems which make decisions either wholly or partially by automated means with no or minimal human intervention;</li> <li>(b) "Aggregator" means a digital intermediary for a buyer of goods or user of a service to connect with the seller or the service provider, and includes any entity that coordinates with one or more aggregators for providing the services;</li> <li>(c) "Board" means the Platform based Gig Workers Tripartite</li> </ul>   | (a) There is a need to bring systems which may partially be automated, within the scope of the law (e) The platform economy has various models of business- such as two-way model (eg- uber, ola) and three-way model (eg. |





Welfare Board constituted under section 3;

- (d) "Fund" means the Platform based Gig Workers Social Security and Welfare Fund established under sub-section (1) of section 21 of this Act;
- (e) "Platform based gig worker" means a person who performs work or participates in a work arrangement that results in a given rate of payment, based on terms and conditions laid down in such contract and includes all piece-rate work, and whose work is sourced through a platform or whose work is an integral part of a platform's value chain, in the sectors specified in the Schedule to this Act;
- (f) "Platform" means any arrangement providing a service through electronic means, at the request of a recipient of the service, involving the organisation of work performed by individuals and involving the use of automated monitoring and decision making systems.
- (g) "Organisation of work" includes, but is not limited to, discovery, work allocation, work tracking, work measurement, certification of work being completed by the platform based gig worker.
- (h) "Prescribed" means prescribed by rules made under this Act;
- (i) "Regulations" means the regulations made by the Board under this Act;
- (j) "Unique ID" means the unique number issued to platform based gig workers registered as per the provisions of this Act;
- (k) "Welfare Fee" means the fee levied under section 22 of this Act;

swiggy, zomato), as well as subcontracting model (eg Shadowfax). The Act must bring subcontractors and other models which engage in warehousing activities within the scope of the Bill. Therefore, any worker who is in the nature of 'platform based gig worker' who brings value to the aggregator, must be brought within the scope of this Act.

- (g) There is a need for specifying a definition of 'organisation of work' to include various types of work arrangements within the platform economy
- (m) Need for preventing temporary blockage or deactivation of accounts of platform based gig workers
- (o) Any violations of the provisions of this Act, whether to do with the board or with aggregators, must be included within the meaning of grievance, to empower workers to



|              |  | (I) "Notification" means a notification published in the Official Gazette of a State, as the case may be, and the expression "notify" with its grammatical variations and cognate expressions shall be construed accordingly;  (m) "Grievance" means grievances in respect of any violations of this Act  (n) "Grievance redressal officer" means the authority notified by the State Government under sub-section (1) section 24.  (o) "Terminate" or "Termination" means materially restricting a platform based gig workers' access to the digital platform, including blocking a platform based gig workers' access to the digital platform, deactivation of the account of the platform based gig worker, suspending a platform based gig worker, or making the platform based gig worker ineligible to provide services on the digital platform, irrespective of the period of such restriction | approach the grievance redressal process. |
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| Chapter 2: P | latform based Gig workers                                    | Welfare Board   |   |
| 3.           | Establishment of Gig<br>Workers Tripartite<br>Welfare Board. | <ol> <li>(1) The State Government shall, with effect from such date as it may appoint, constitute a Board to be known as the "platform based gig workers Welfare Board" to exercise the powers conferred on it, and perform the duties and functions assigned to it, under this Act.</li> <li>(2) The State Government may, as and when necessary, notify general or sector specific social security and other benefits that shall be implemented by the Board</li> <li>(3) The headquarters of the Board shall be at Bengaluru.</li> </ol>   |   |
| 4.           | Composition of the Board.                                    | The Board shall consist of-   | Need for including                        |



|    |                        | <ul> <li>(a) the Minister in-charge of the Department of Labour as the exofficio chairperson</li> <li>(b) the Secretary in-charge, Department of Labour or his nominee not below the rank of Joint Secretary as the ex-officio Member Convener</li> <li>(c) the Secretary in-charge, Department of Information and Technology or his nominee not below the rank of Joint Secretary, as an ex-officio Member</li> <li>(d) the Secretary in-charge, Transport Department or his nominee not below the rank of Joint Secretary, as an ex-officio Member</li> <li>(e) Commissioner, Department of Commercial Taxes or his nominee not below the rank of Joint Commissioner</li> <li>(f) A Chief Executive Officer appointed by the State Government who shall be a Member and be Executive incharge of day to day functioning of the Board and carry out duties on behalf of the Board</li> <li>(g) three representatives of the platform based gig workers to be nominated by the State Government as Members as prescribed by rules</li> <li>(h) three representatives of aggregators to be nominated by the State Government as prescribed by rules</li> <li>(i) One representative from the civil society that has experience working in the field or a subject matter expert that works in field to be nominated by the State Government</li> <li>A technical expert in the field of data collection, IT systems and any other relevant subject matter expert may be invited as and when necessary to provide inputs</li> <li>Provided that at least one-thirds of the nominated members of the board shall be women.</li> </ul> | Transport Department within the Board as they play an important role in welfare of cab drivers, transport vehicles etc.  Need for increased representation of platform based gig workers and aggregators to account for different sectors/ models in the platform economy  Need for including representation of women in the Board  There is a need for including a procedure to nominate representatives of platform based gig workers, aggregators and Civil Society Organisations through the rules to be formulated by the State Government. |
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| 5. | Meetings of the Board. | (1) The Board shall meet at such time and place and observe such rules of procedure for transaction of business at its meetings as may  |  |



|    |                                    | be prescribed:   |   |
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|    |                                    | Provided that the Board shall meet at least once in six months:<br>Provided further that the Chairperson may convene a meeting of the<br>Board upon a written request from at least six members of the Board.  |   |
|    |                                    | (2) The Chairperson, or, if for any reason he is unable to attend any meeting of the Board, any other member as decided by members present, shall preside over the meeting.  |   |
|    |                                    | (3) All questions which come up before any meeting of the Board shall be decided by a majority of votes of the members present and voting, and in the event of equality of votes, the Chairperson, or in his absence, the person presiding, shall have a second or a casting vote.   |   |
|    |                                    | (4) The quorum for the meeting of the Board shall be fifty percent of the total members.   |   |
| 6. | Powers and functions of the Board. | The powers, duties and functions of the Board shall be as follows:  (i) ensure registration of platform based gig workers in accordance with the provisions under this Act and allied rules;  (ii) ensure registration of aggregators operating in the State in accordance with the provisions under this Act and allied rules;  (iii) set up a monitoring mechanism to certify that welfare fee is being duly collected;  (iv) Ensure implementation of general and specific social security schemes based on contributions made as may be notified by the State Government and disburse the social security benefits through the individual social security accounts linked to the Unique IDs allocated to platform based gig workers.  (v) monitor the schemes for social security of registered platform based gig workers and provide recommendations to the State Government for administering such schemes; | Need for ensuring that data is collected in accordance with applicable data protection laws, and to ensure that data for implementing CTIMS is made accessible to the Board by aggregators for the implementation of the Act. |



|    |                                       | (vi) ensure that platform based gig workers have access to the benefits as per the schemes formulated by the State Government and to provide proactive facilitation to them in their engagement with concerned aggregator; (vii) engage with workers associations working with platform based gig workers and hold regular open consultations with them; (viii) may constitute a committee for providing the recommendations to the State Government for formulation, review and implementation of the schemes; (ix) The Board shall have the power to make social security schemes for specific groups of platform based gig workers such as women, persons with disabilities etc.; (x) The Board shall have the power to seek data from the aggregators and platforms on the work done via their platform to ensure compliance with the provisions of this Act in compliance with applicable data protection laws (xi) The Board will ensure that the implementation of this Act is subject to annual social audit as per the auditing standards of social audit laid down by Comptroller and Auditor General of India, in such manner as may be prescribed. |  |
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| 7. | Rights of platform based gig workers. | All platform based gig workers shall have the right to (a) be registered with the State Government on being onboarded on any platform, irrespective of the duration of the work, and be provided a Unique ID applicable across all platforms; (b) have access to general and specific social security schemes based on contributions made as may be notified by the State Government; (C) access all information regarding wages paid, contributions made by aggregators and workers respectively as levy, social security benefits accrued and accessed by them, and any other information required to realise their rights enshrined under this Act (D) participate in all decisions taken for their welfare through representation in committees, the Board and any other consultations under any law under any law in force.   |  |



|    |                                      | (E) access a grievance redressal mechanism (f) access, verify and seek correction of their personal data in the custody of Provided that nothing in this Act shall affect any benefit or protection accorded to platform based gig workers under any other law for the time being in force.  Provided that nothing in this Act or any scheme prepared under this Act will derogate from the right of a platform based gig worker to access any scheme or benefit framed by any Government or the aggregator.   | should not prevent the worker from accessing any |
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| 8. | Officers and employees of the Board. | The officers and employees working with Karnataka State Unorganised Workers Social Security Board are considered to be officers and employees of the Platform based Gig Workers Welfare Board for the efficient discharge of its functions under the Act. Provided that the Board may appoint such officers and employees as may be necessary for the discharge of its functions under this Act.   |  |
| 9. | Accounts and audit.                  | <ol> <li>(1) The State Government shall maintain proper accounts and other relevant records and prepare an annual statement of accounts, including a balance-sheet in such form as may be prescribed.</li> <li>(2) The accounts of the Fund shall be audited annually by the office of the Accountant General of the State.</li> <li>(3) The accounts of the Fund certified by the auditor, together with the audited report thereon shall be forwarded annually to the State Government before such date as the State Government may specify in this behalf.</li> <li>(4) The Board shall comply with such directions as the State Government may, after perusal of the report of the auditor, think fit to issue.</li> </ol> |  |



| (5) The cost of the audit, as determined by the State Government, shall be paid out of the Fund.  (6) All monies forming part of the Fund shall be kept in current or deposit account with any Nationalised Bank or invested in securities by the State Government.  (1) The aggregators shall provide to the Board its database of all platform based gig workers onboarded or registered with them within sixty days of enforcement of this Act as may be prescribed by regulations;  (2) All platform based gig workers onboarded or registered with any aggregators after the commencement of this Act, irrespective of the duration of engagement with the aggregator, shall be automatically registered in such manner as may be prescribed by the Board.  (3) The Board shall maintain a database of platform based gig workers in the State along with the details of their employment with one or more aggregators, and notwithstanding the duration or time of engagement with any platform.  (4) The Board shall register and generate a unique ID to every platform based gig worker who is on-boarded by one or more aggregators operating in the State.  (5) platform based gig workers shall also have the option to register themselves on the web portal developed by the State Government in a manner as may be prescribed.  (6) Registration of platform based gig workers will require submission of details and affixing of evidence as prescribed. |     |  |   |
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| deposit account with any Nationalised Bank or invested in securities by the State Government.  10. Registration of platform based gig workers.  (1) The aggregators shall provide to the Board its database of all platform based gig workers onboarded or registered with them within sixty days of enforcement of this Act as may be prescribed by regulations;  (2) All platform based gig workers onboarded or registered with any aggregators after the commencement of this Act, irrespective of the duration of engagement with the aggregator, shall be automatically registered in such manner as may be prescribed by the Board.  (3) The Board shall maintain a database of platform based gig workers in the State along with the details of their employment with one or more aggregators, and notwithstanding the duration or time of engagement with any platform.  (4) The Board shall register and generate a unique ID to every platform based gig worker who is on-boarded by one or more aggregators operating in the State.  (5) platform based gig workers shall also have the option to register themselves on the web portal developed by the State Government in a manner as may be prescribed.  (6) Registration of platform based gig workers will require  |     | shall be paid out of the Fund.   |   |
| platform based gig workers onboarded or registered with them within sixty days of enforcement of this Act as may be prescribed by regulations;  (2) All platform based gig workers onboarded or registered with any aggregators after the commencement of this Act, irrespective of the duration of engagement with the aggregator, shall be automatically registered in such manner as may be prescribed by the Board.  (3) The Board shall maintain a database of platform based gig workers in the State along with the details of their employment with one or more aggregators, and notwithstanding the duration or time of engagement with any platform.  (4) The Board shall register and generate a unique ID to every platform based gig worker who is on-boarded by one or more aggregators operating in the State.  (5) platform based gig workers shall also have the option to register themselves on the web portal developed by the State Government in a manner as may be prescribed.  (6) Registration of platform based gig workers will require   |     | deposit account with any Nationalised Bank or invested in securities   |   |
|  | 10. | platform based gig workers onboarded or registered with them within sixty days of enforcement of this Act as may be prescribed by regulations;  (2) All platform based gig workers onboarded or registered with any aggregators after the commencement of this Act, irrespective of the duration of engagement with the aggregator, shall be automatically registered in such manner as may be prescribed by the Board.  (3) The Board shall maintain a database of platform based gig workers in the State along with the details of their employment with one or more aggregators, and notwithstanding the duration or time of engagement with any platform.  (4) The Board shall register and generate a unique ID to every platform based gig worker who is on-boarded by one or more aggregators operating in the State.  (5) platform based gig workers shall also have the option to register themselves on the web portal developed by the State Government in a manner as may be prescribed.  (6) Registration of platform based gig workers will require | automatic registration of<br>platform based gig workers,<br>as soon as they are<br>onboarded onto any<br>platform, irrespective of<br>how long they are engaged |



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| 11.     | Registration of aggregators.             | <ol> <li>Every aggregator shall be required to get registered with the Board within sixty days of enforcement of this Act.</li> <li>The Board shall maintain a register of aggregators operating in the State along with the name and designation of an officer authorised by the State Government responsible for carrying out obligations under this Act.</li> <li>The Board shall publish the register of aggregators on its web portal.</li> </ol>   |  |
| Chapter | 3: Obligations of Aggregato              |  |  |
| 12.     | Obligation to enter into fair contracts. | <ol> <li>(1) All contracts entered into between aggregators and platform based gig workers shall comply with the provisions of this Act.</li> <li>(2) Contracts shall be written in simple language easily comprehensible, and shall be available in Kannada, English or any other language listed in the Eighth Schedule of the Constitution known to the gig worker and downloadable to the platform based gig worker in such manner as may be prescribed.</li> <li>(3) Contracts entered into between aggregators and platform based gig workers shall clarify all the possible deductions with respect to any payment, including but not limited to, government cesses and taxes, and any fees or commissions payable to the aggregator.</li> <li>(4) Once the contract has been entered into, the aggregator shall notify the platform based gig worker of any change in the terms of the contract or any material change in the automated monitoring and decision making system, not less than fourteen days before the proposed change, and the platform</li> </ol> | Contracts must be available in downloadable formats to platform based gig workers so that they may access it a any point of time.  The contracts between the aggregator and the gig worker must give clarity to the workers as to what are the amounts which will be deducted from their pay in each transaction or on subscription basis, what amounts will be charged by the aggregator and for what purpose.  Any material changes in the |



|     |  | terminate the contract, without any adverse consequences for their existing entitlements under the previous contract.  (5) Platform based gig workers may refuse or reject, with reasonable cause, a specified number of gig work requests per week, as shall be provided in the contractual agreement between the platform based gig worker and the aggregator, without any adverse consequences.   | of the aggregator which has effects on the worker, must be informed to the gig worker 14 days prior to the implementation of such a change.   |
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| 13. | Contract guidelines and templates.   | <ol> <li>The State Government shall publish sector specific guidelines for contracts from time to time.</li> <li>The State Government may review contract templates sent by aggregators, on request, in order to ensure fair contracts with platform based gig workers.</li> </ol>   |   |
| 14. | Transparency in respect of Automated Monitoring and Decision Making Systems. | <ol> <li>(1) The aggregator must proactively communicate the following information regarding the each platform based gig worker, in writing, in Kannada, English or any other language listed in the Eighth Schedule of the Constitution known to the platform based gig worker, -</li> <li>(i) the main parameters which, either individually or collectively, are the most important for determining the allocation of work, the distribution of work, the assessment of work carried out, remuneration for work carried out the grounds for denial of work and grounds for termination of contract or off-boarding of workers from the platform.</li> <li>(ii) the rating system and other metrics, if any, set up by the aggregator and its role in determining dimensions of work outlined in sub-section (1) of this Section;</li> <li>(iii) categorisation of platform based gig workers, on the basis of the quality of service rendered, log-in time, or any other</li> </ol> | The burden of disclosure of information on automated monitoring and decision making systems should be on the aggregator as opposed to the worker approaching the aggregator every time information or transparency is necessary.  The lack of transparency about the workings of automated decisionmaking systems – that is, algorithmic management in platform work contexts – has been flagged by the ILO as an important gap in the protection of worker |



|     |                      | criteria, where such categorisation is employed by the aggregator;  (iv) the personal data of the respective platform based gig worker available with the aggregator, such as personal data which is processed by the aggregator, including the purposes for which such personal data is processed;  (v) any other information that may be prescribed by the State Government  (2) The aggregator must inform the platform based gig worker, in simple language and in Kannada, English or any other language listed in the Eighth Schedule of the Constitution known to the platform based gig worker, regarding the procedure to seek information in respect of the automated monitoring and decision making systems employed by the aggregator, which have an impact on their working conditions, including fares, earnings, customer feedback and allied information.  (3) The aggregator shall take measures to prevent discrimination on the basis of religion, race, caste, gender, or place of birth by the automated monitoring and decision making systems employed by it. | paper to the proposed instrument on decent work in the platform economy.  Research studies have demonstrated that "Since algorithmic management systems tend to be both opaque and under the control of (human) management, managers can simply use |
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| 15. | Termination of work. | <ol> <li>The contractual agreement entered into between the aggregator and the platform based gig worker shall contain an exhaustive list of grounds for termination of contract by the aggregator or deactivation of the platform based gig worker from the platform.</li> <li>An aggregator shall not terminate a platform based gig worker without giving valid reasons in writing and with prior notice</li> </ol>   | sometimes have to block IDs or deactivate accounts  |



|     |                  | of fourteen days.  Provided where the reason for termination relates to violations in respect of the life or liberty of any person, the aggregator may terminate the platform based gig worker with immediate effect, subsequent to notice on the same.  (3) The platform based gig worker must be provided with an opportunity to be heard in person prior to termination except where the reason for termination relates to violations in respect of the life or liberty of any person.  | personal liberty of an individual has been reported, aggregators may immediately block the ID of the respective worker with notice of the same, and may not be required to comply with the 14 day notice period which is otherwise applicable.  Where termination is not on the grounds of violations regarding the life and liberty of a customer/person, such termination can be implemented by the aggregator only after listening to the platform based gig worker. |
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| 16. | Income security. | <ol> <li>(1) In the cases of payment deductions, the aggregator must inform the platform based gig worker about the reasons for such deductions within the invoice raised for the work performed by the platform based gig worker.</li> <li>(2) The aggregators must compensate the platform based gig workers at least on a weekly basis with no delay in disbursal of pay.</li> <li>(3) The welfare fee leviable under this Act shall not be deducted from any amount payable to the platform based gig worker on the basis of the contracts or terms and conditions of service</li> </ol> | This Act must clarify that the welfare fee amount must not be passed on to the gig worker. The aggregator is free to raise the amounts through any other mechanism, but the levy of the welfare fee must not have an impact on the earnings of the gig worker.  The State Government may  |



|     |                                | prior to the passage of this Act.  (4) The State Government may, by rules, prescribe the minimum percentage of each transaction that accrues to the platform based gig worker as payment for each work assignment.   | be empowered to lay down sector specific rate or percentage of each transaction or work payment made to an aggregator, which should be the minimum amount to be paid to the platform based gig worker. In research by PAIGAM, University of Pennsylvania covering 10000 cab drivers and delivery workers each in 8 cities of India, including Bengaluru, "68% respondents reported that they faced either "unexplained" and "arbitrary" deductions due to skewed app algorithms; deductions due to arbitrary commission rates charged by the companies or arbitrary deductions on online payments". |
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| 17. | Reasonable working conditions. | (1) The aggregator and its automated monitoring and decision making system must provide and maintain, as far as is reasonably practicable, a working environment that is safe and without risk to the health of the platform based gig worker.  Explanation: A work environment that is safe and without risk to the health of the platform based gig worker includes ensuring that the platform based gig worker shall have | There is a need to clarify in this provision as to what constitutes a 'safe' and 'risk free' working environment, which must be provided by the aggregator. Therefore, the suggested formulation provides some basic  |



adequate periods of rest during the work day and during the work week, access to sanitary and rest facilities, including reasonable travel time to and from such facilities.

(2) the aggregator shall comply with the applicable, sectorspecific, occupational safety and health standards as may be prescribed by the State Government.

Provided that compliance with sector-specific, occupational safety and health standards should not result in a deduction of pay from the platform based gig worker.

- (3) Notwithstanding anything contained in any law in force the State Government shall prepare a scheme to compensate any platform based gig worker for loss of life or injury suffered during the course of their work for any aggregator.
- (4) Any scheme prepared by the State Government in determining compensation payable under sub-section (3) shall take into account the age of the platform based gig worker, the extent of disability suffered, loss of pay and any expenses that may have to be incurred by the family of the platform based gig worker in this regard.
- (5) The aggregator shall ensure that provisions of the The Prevention of Sexual Harassment (PoSH) at Workplace Act, 2013 shall be implemented as if the platform based gig worker is an employee of the aggregator for the purposes of that Act.

standards and parameters which the state government must consider while framing sector specific occupation health and safety rules.

Gig workers must also be safeguarded against pay deductions in order to ensure compliance with occupational health and safety standards

Gig workers must be compensated in case of loss of life or disability caused during the course of their work. Therefore, this suggested formulation requires the State Government to formulate an appropriate scheme to compensate for loss of life, disability, loss of pay caused due to injury suffered by platform based gig workers during the course of work. The Act must also specify the parameters on the basis of which such a scheme may be formulated. This may



|     |   |   | include age of worker, loss of pay, disability incurred etc.  |
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|     |   |   | Female gig workers are currently unable to seek redress in the event that they suffer from sexual harassment or allied violations under the The Prevention of Sexual Harassment (PoSH) at Workplace Act, 2013. There is a lack of clarity as to whether they are protected under the POSH Act, 2013 or not. Hence this Act can clarify that the POSH Act, 2013 is applicable for gig workers. |
| 18. | Disclosure obligations.                       | <ol> <li>The aggregator shall ensure that information on the grievance redressal mechanism in Section 24 is easily accessible on their platform.</li> <li>The aggregator shall ensure that information on the dispute resolution mechanism in Section 25 is easily accessible on their respective platform.</li> </ol>  |   |
| 19. | Nomination of Point of Contact for Enquiries. | <ol> <li>(1) Each platform based gig worker must be provided with a human point of contact for all clarifications under the provisions of this Act; Provided that the aggregator may maintain physical spaces where platform based gig workers may seek clarifications under the provisions of this Act.</li> <li>(2) The worker shall have the option of communicating with the point</li> </ol> |   |





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|           |                                      | of contact in Kannada, English or any other language listed in the Eighth Schedule of the Constitution known to the platform based gig worker.  (3) The contact information of the point of contact shall be provided on the respective platform based gig workers' accounts on the platform application.  |   |
| Chapter 4 | 4: Platform based Gig Work           | xers Fund and Welfare Fee  |   |
| 20.       | Fund for platform based gig workers. | <ol> <li>(1) The State Government shall establish a fund to be called "The Platform based Gig Workers Social Security and Welfare Fund" for the benefit of registered platform based gig workers and the following money shall form part of, and be paid into, namely:         <ol> <li>all sums received from welfare fee levied under this Act;</li> <li>all contributions made by individual platform based gig workers;</li> <li>all sums received as grant-in-aid from the State Government and Central Government;</li> <li>all sums received by way of grants, gifts, donations, benefactions, bequests or transfers; and</li> <li>all sums received from any other sources as may be prescribed.</li> </ol> </li> <li>(2) The Fund shall be utilised and managed in such manner as may be prescribed by the State Government.</li> <li>The Board or the State Government shall not use more than 5% of the Fund to defray any administrative costs of the Board or employees of the Board.</li> <li>(4) The Board shall ensure that the remaining 95% of the fund is utilised in the following manner-a. For general schemes which are applicable to all platform based gig workers</li> <li>For specific schemes which a platform based gig worker may opt</li> </ol> | There is a need to ensure that the amounts collected from aggregators as welfare fee is substantially utilised for the welfare and benefits of gig workers and only a small portion of the the welfare fee may be utilised for administrative expenses.  There is also a need to ensure that all gig workers are entitled to general social security benefits, while some specific benefits may be formulated for specific types of gig workers or workers in specific sectors. |





|           |  | for on the basis of their respective contributions   |  |
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| 21.       | Platform based Gig<br>Workers Welfare Fee.               | <ol> <li>(1) There shall be charged, from an aggregator, a welfare fee known as "The Platform based Gig Workers Welfare Fee", which shall be at such rate (percent) of the payment made to the platform based gig worker in each transaction by the aggregator or the user of the platform service as may be notified by the State Government. Explanation: In prescribing the rate specified in subsection (1) of this Section, the State Government shall specify a separate rate for each of the services specified in Schedule I.</li> <li>(2) Such fee shall be collected by the State Government in such manner and within such time as may be prescribed.</li> <li>(3) The aggregator shall deposit the welfare fee levied under this Act, at the end of each quarter;</li> </ol> | The welfare fee must be levied on the payout made to the gig worker, either by the aggregator or the customer on the platform. The State Government must prescribe different rates of fee for different sectors and models in the platform economy. The suggested formulation reflects the aforementioned. |
| 22.       | Central Transaction<br>Information Management<br>System. | <ol> <li>(1) All payments generated on platforms shall be mapped on to a Central Transaction Information and Management System (CTIMS) administered by the State Government and monitored by the Board.</li> <li>(2) Every payment made to platform based gig workers and the welfare fee deducted shall be recorded on the Central Transaction Information and Management System (CTIMS) for each transaction related to platform based gig workers. The formats for the payment shall be such as may be prescribed.</li> <li>(3) The details of welfare fee collected and spent at the gig workers level shall be disclosed and made available on the Central Transaction Information and Management System (CTIMS).</li> </ol>  |  |
| Chapter 5 | 5: Redressal of grievances a                             | gainst the Board and resolution of disputes against aggregator   |  |



|     |  |  | Re-formulation of the Grievance redressal process. At the State level, an officer not below the rank of Joint Commissioner must be appointed to hear grievances regarding schemes, benefits etc provided by the Board. |
|-----|--|--|--|
| 23. | Complaints regarding entitlements to benefits, schemes, subsidies under this Act | <ul> <li>(1) The State Government shall appoint an officer not below the rank of a Joint Labour Commissioner to receive complaints from platform based gig workers regarding entitlements to benefits, schemes, subsidies due from the Board, as may be prescribed by the State Government</li> <li>(2) The officer notified above shall redress the complaint within 30 days as per procedures prescribed by the State Government</li> </ul>  |  |
| 24. | Internal Dispute Resolution Committee  | <ol> <li>(1) Every aggregator, with more than 50 platform workers registered on their platform, shall constitute an Internal Dispute Resolution Committee for the resolution of any grievance</li> <li>(2) The composition and procedures of the Internal Dispute Resolution Committee shall be as prescribed by the State Government.</li> <li>(3) The Internal Dispute Resolution Committee shall complete its proceedings within 14 days on receipt of a written complaint by or on behalf of the platform based gig worker</li> <li>.</li> <li>(4) Notwithstanding anything contained in this section, the platform based gig worker may seek resolution of his disputes through the mechanism under any law in force on Industrial Disputes.</li> </ol> |  |



25. Procedure for redressal of grievances

1) If a platform based gig worker does not receive a written response from the Internal Dispute Resolution Committee within 14 days and/or is not satisfied with the written resolution provided by the Internal Dispute Resolution Committee, he/she may file a first appeal before a grievance redressal officer notified by the State Government at District and sub-District Levels, and/or through a web portal, and/or through a helpline.

Provided that platform based gig workers can file grievances directly with the Board for grievances arising out Section 7 of this Act, which shall be redressed in the same manner as listed below

- (2) All appeals and/or grievances filed with a grievance redressal officer will be acknowledged by a dated receipt immediately as prescribed.
- (3) The officer so authorised under sub-section (1) shall, upon inquiries as prescribed, dispose of the said appeal and/or grievance by passing a written order of redressal within 30 days of the appeal and/or grievance being filed, after ensuring that both parties have been presented with an opportunity of being heard and submitting any additional information on record.
- (4) The officer so authorised under sub-section (1) shall be vested with the powers to summon all parties concerned and demand all the necessary information required in order to redress the appeal and/or grievance.
- (5) A second appeal against the order under sub-section (3) shall lie within ninety days from the date of order before the Appellate Authority, as prescribed by the State Government:
- (6) The Appellate Authority shall dispose of the appeal in accordance with the procedure as may be prescribed within thirty days of the said

An appeal mechanism from the Internal Dispute Resolution Committee must be created to ensure speedy disposal of grievances of gig workers against the aggregator.





|           |                               | appeal being filed.  |  |
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| Chapter 6 | 6: Offences and Penalties     |  |  |
| 26.       | General penalty for offences. | Save as otherwise expressly provided in this Act, if in, or in respect of, any aggregator, there is any contravention of the provisions of this Act or regulations or rules, or any of standards, made thereunder or of any order in writing given under this Act or such regulations or rules or standards, the employer or the aggregator shall be liable to penalty which shall not be less than five thousand rupees but which may extend up to one lakh rupees, and if the contravention is continued after the conviction, then, with further penalty which may extend to five thousand rupees for each day till such contravention continues.   |  |
| 27.       | Offences by companies.        | (1) Where an offence under this Act has been committed by a company, every person who, at the time the offence was committed, was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:  Provided that nothing contained in this sub-section shall render any such person liable to any punishment, if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence.  (2) Notwithstanding anything contained in sub-section (1), where any offence under this Act has been committed by a company, and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of any director, manager, company secretary or other officer of the company, such director, manager, company secretary or other officer shall be deemed to be guilty of that offence and shall be liable to be |  |





|            |                          | proceeded against and punished accordingly. Explanation – For the purposes of this section, (a) "company" means any body corporate and includes a firm or other association of individuals; and (b) "director" means, (i) in relation to a firm, a partner thereof; or (ii) in case of association of individuals other than specified in subclause (ii), any of its members.  |  |
|------------|--------------------------|--|--|
| 28.        | Cognisance of offences.  | No court inferior to that of a Metropolitan Magistrate or a Judicial Magistrate of the first class shall try any offence punishable under this Act.  |  |
| 29.        | Compounding of offences. | (1) Any offence punishable under this Act may, either before or after the institution of the prosecution, on an application by the alleged offender, be compounded by payment of compounding amount not more than fifty percent by such officer or authority as the State Government may, by notification in the Official Gazette, specify in this behalf:  Provided that the appropriate Government may, by notification in the Official Gazette, amend the said specified compounding amount:  Provided further that the offences of the same nature committed by the same offender for more than three occasions shall not be compoundable:  Provided also that such offences shall be compounded only after the alleged offender has acted to the satisfaction of such officer or authority that such offence is not continued any further:  (2) Where an offence has been compounded under sub-section (1), no further proceedings shall be taken against the offender in respect of such offence and the offender, if in custody, shall be released or discharged. |  |
| Chapter 7: | Miscellaneous            |  |  |



|     | T   |   | V I D H   Centre for Legal Policy  |
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| 30. | Entitlement to more than one benefit.     | No right or entitlement provided for under this Act shall affect any benefit or protection accorded to platform based gig workers under any other law for the time being in force.  |  |
| 31. | Submission of Quarterly Returns.          | The aggregators must submit quarterly returns in such form as may be prescribed by the State Government.  |  |
| 32. | Annual returns.                           | <ol> <li>(1) The Board shall prepare a report every year of its activities under this Act during the year and submit the report to the State Government.</li> <li>(2) The State Government shall, as soon as may be after the receipt of report under sub-section (1), cause the same to be laid before the House of the State Legislature.</li> </ol>  |  |
| 33. | Act to be in addition to any other law.   | The provisions of this Act shall be in addition to, and not in derogation of, any other law for the time being in force.  |  |
| 34. | Protection of action taken in good faith. | No suit, prosecution or other legal proceeding shall lie against any person for anything which is in good faith done or intended to be done in pursuance of this Act or any rule or order made thereunder.  |  |
| 35. | Power to make rules.                      | <ol> <li>(1) The State Government may make rules for carrying out the purposes of this Act.</li> <li>(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:         <ol> <li>(i) Any additional information regarding the automated monitoring and decision making systems that may be sought by the platform based gig worker from the aggregator under clause (v) of sub-section (1) of section 15.</li> <li>(ii) Sector specific occupational safety and health standards under sub-section (2) of section 18.</li> <li>(iii) The contributions from the aggregator and the platform based gig</li> </ol> </li> </ol> | Appropriate changes must be reflected in this Section after completion of edits across the Act |

|     |                            | worker for access to general and specific social security schemes as per clause (iv) of section 6; (iv) The rate (percent) of the value of each transaction chargeable as welfare fee as per sub-section (1) of section 22. (v) The format in which the quarterly return referred to in section 32 must be submitted. (vi) The time, place and procedure for meetings of the Board as required under section 5. (vii)The salary and allowances of nominated members as required under section 9. (viii)The manner in which proper accounts, annual statements of accounts including balance sheet and other relevant records must be maintained under sub-section (1) of section 10. (ix) The format for payment of welfare fee under sub-section (2) of section 22.   |  |
|-----|----------------------------|--|--|
|     |                            | (3) Every rule made under this Act shall be laid, as soon as may be after they are so made, before the House of the State Legislature, while it is in session, for a period of not less than fourteen days which may be comprised in one session or in two successive sessions and if before the expiry of the session in which it is so laid or of the sessions immediately following, the House of the State Legislature makes any modification in the rule or resolves that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be, so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done thereunder.  (4) Every rule made under this Act shall be published in the Official Gazette. |  |
| 36. | Power to make Regulations. | The Welfare Board may make regulations to provide for the following matters under this Act-  |  |





|     |                               | <ul> <li>(i) The manner of registration of aggregators as per sub-section (1) section 11.</li> <li>(ii) The manner in which the aggregators shall provide the database of all platform based gig workers onboarded or registered with them to the board under sub-section (1) of section 11.</li> <li>(iii) The manner in which the latest data of all platform based gig workers engaged by aggregators must be shared as per sub-section (2) of section 11.</li> </ul>  |  |
|-----|-------------------------------|---|--|
| 37. | Powers of inspection.         | The State Government shall have the power to conduct inspections and reviews of contracts, automated monitoring and decision making systems, occupational safety standards and working standards adopted by aggregators to check compliance with the Act and rules thereunder, by such officer as may be designated.  |  |
| 38. | Power to remove difficulties. | <ol> <li>If any difficulty arises in giving effect to the provisions of this Act, the State Government may, by order, published in the Official Gazette, make such provisions, not inconsistent with the provisions of this Act, as may be necessary or expedient for removing the difficulty: Provided that no order under this section shall be made after expiry of three years from the date of commencement of this Act.</li> <li>Every order made under this section shall, as soon as may be after it is so made, be laid before the House of State Legislature</li> </ol> |  |

# Schedule I

[See section 1(4)(i)]

### Services provided by aggregators

- 1. Ride sharing services.
- 2. Food and grocery delivery services.
- 3. Logistics services.
- 4. e-Market place (both marketplace and inventory model) for wholesale/retail sale of goods and/or services Business to Business to Consumer (B2B/B2C).



- 5. Professional services provider.
- 6. Healthcare.
- 7. Travel and hospitality.8. Content and media services.
- 9. Any other service as may be notified by the State Government

