



Circular No – 047/2024

Date: 11.07.2024

To

All Members of the Association

KARNATAKA PLATFORM BASED GIG WORKERS (SOCIAL SECURITY AND WELFARE) BILL, 2024

1. Members may please refer to the KEA circular no. 045 of 2024 dated 01.07.2024 under which draft of Bill to protect the rights of the platform based Gig Workers proposed by the Government of Karnataka was circulated along with the public notice issued by the Government inviting suggestions and objections from the persons likely to be affected by the Bill.
2. The Association also has submitted its comments and suggestions to the Government. Copy of the letter of KEA dated 06.07.2024 addressed to the Principal Secretary Department of Labour Government of Karnataka is enclosed. For KARNATAKA EMPLOYERS' ASSOCIATION

For KARNATAKA EMPLOYERS' ASSOCIATION
Sd/
[B C Prabhakar]
President



Off : 080-26613091 / 26607167
080-42103360 / 26761733
Email : kea@kea.co.in
Web : www.kea.co.in

KARNATAKA EMPLOYERS' ASSOCIATION

NO.74, 2nd FLOOR, SHANKARA ARCADE, VANIVILAS ROAD,
BASAVANAGUDI, BENGALURU - 560 004
Reg. No. TU 507 / 20-3-1962

B.C. Prabhakar, B.A., B.L.,
President

Date:06.07.2024

The Principal Secretary
Department of Labour
Government of Karnataka
Vikasa Souda
Bengaluru 560001

Dear Sir,

Sub: Karnataka Platform Based Gig Workers (Social Security and Welfare) Bill, 2024

1. The Association refers to the public notice dated 29.06.2024 issued by the Government, inviting objections or suggestions from persons to the above Bill.
2. The Association welcomes the proposal of the Government to bring an Act for regulating the Social Security and Welfare of the Gig Workers. However, there are certain provisions which creates the status of employee to Gig Workers and the same cannot be provided in the legislation which is confined to providing Social Security and welfare measure. The same are pointed out in the enclosed write up.
3. Suggestions and comments of the Association about the different provisions as contained in the above Bill are given in the enclosed write up, for consideration of the Government.

Thanking You

Yours faithfully

B. C. Prabhakar

B.C. Prabhakar
President



Copy to

1. Commissioner of Labour,
Karmika Bhavana,
Bannerghatta Road,
Bengaluru - 560029
2. Addl. Commissioner of Labour.
Karmika Bhavana,
Bannerghatta Road,
Bengaluru - 560029

Suggested Changes to the Draft Karnataka Platform-based Gig Workers (Social Security and Welfare) Bill, 2024

Sl. No.	Section	Issue	Suggestion
1.	Section 1 (3)	Territorial limitation is not specified. The scope/application of the Act can be extended to the whole of India and even across the globe.	It is suggested to limit the scope of the Act to only those gig workers domicile and aggregators operating/ providing services in Karnataka.
2.	Section 2 (e)	The definition of gig worker is different from the one provided in the Code on Social Security, 2020 and other similar state legislation like the Rajasthan Platform Based Gig Workers (Registration and Welfare) Act, 2023.	The definition of Gig worker in the Code of Social Security, 2020 and Rajasthan Platform Based Gig Workers (Registration and Welfare) Act, 2023 specifically exempts traditional employer-employee relationship from the definition of Gig worker. Section 2(e) of this Bill does not do so, this could lead to a lot of confusion on whether gig workers are to be treated as regular employees of aggregators. Therefore, it is suggested to specifically provide an exemption in the definition.
3.	Section 4(2)	There is no woman representation on the Board.	It is suggested to have at least 1 representative each for gig worker and aggregator to be a woman
4.	Section 7(a)	Anyone can register with an aggregator once without providing any service or provide service once a year and take the benefits of this Bill under the guise of gig worker forever.	It is suggested to provide the benefit to only those gig workers who continue to be on the roll of the aggregator and whose contracts are not terminated.
5.	Section 9(5)	The Fund is meant for the welfare of the Gig workers and the cost of the annual Audit cannot be burdened on the gig workers.	It is suggested that the cost of Audit be borne by the Government of Karnataka.
6.	Section 10 (3)	The usage of the term "employment" would infer a traditional employer-employee relationship.	It is suggested that the term 'employment' be replaced with the term 'contractual engagement'.
7.	Section 12(3)	This clause is violative of Article 19(1)(g) of the Constitution of	It is suggested that the contract be terminated mutually and only

		India as well as the fundamental principles of contract.	<p>one party, that is, the gig worker cannot be given a right to continue with the contract after terminating the clauses of his/her choice.</p> <p>Both parties should be given equal rights in entering into/terminating an agreement. One cannot be forced to continue with an agreement against his/her will.</p> <p>Further, the aggregator should have the right to conduct the business in accordance with Article 19(1)(g) of the Constitution of India.</p>
8.	Section 12(4)	The term "reasonable cause" has not been defined. This can lead to a lot of confusion regarding the grounds for refusal.	It is suggested to prepare a schedule of the list of reasonable causes on which a gig worker can refuse the gig work.
9.	Section 13	This provision is violative of Article 19(1)(g) and various judicial precedents on the right to conduct business	A contract between a gig worker and an aggregator is on a principal-to-principal basis, involving the delivery of goods and services for payment. It is not a case of employer-employee relationship or salary paid for services rendered. Therefore, it is suggested that the government not interfere with the manner of contract execution between the gig worker and the aggregator as the State Government is not going to be liable for the consequences/outcome of the contract between the gig worker and the aggregator.
10.	Section 14 (2)	The automated monitoring and decision-making systems are intellectual properties of the aggregator involving Source Code and Artificial Intelligence (AI). Breach of this information may cause substantial loss to the aggregator.	It is suggested that certain guidelines be made with respect to working conditions, fares, earnings, customer feedback and allied information. The aggregators may design the automated monitoring and decision-making systems in line with the said guidelines. Sharing

			of information may lead to a breach of the intellectual property rights of the aggregator.
11.	Section 15(2)	In case of any misconduct such as theft, rape or any other offence being committed by the gig worker, notice of 14 days can cause further damage to the aggregator as well as the recipient of services from the gig worker.	In case of any misconduct listed in the contract, the aggregator should be given the right to terminate the contract with immediate effect without any notice.
12.	Section 17	The workplace of gig workers is normally outside the premises of the aggregator, usually, it may be the home of the receipt of the services or public places or any 3 rd party location.	It is suggested that the Government prescribe sector-specific Occupational Safety and Health standards keeping in mind the service locations of the gig worker.
13.	Section 20(1)(ii)	All contributions of Individual platform-based gig workers should be on a periodic basis.	It is suggested that all contributions made by Individual platform-based gig workers should be on a quarterly basis. Failure to contribute should lead to disentanglement of benefits under this Bill.
14.	Section 23(3) and (5)	There is no time limit for the Officer Appellant Authority to dispose of the petition or appeal	It is suggested that a time limit be specified for appropriate disposal of the petition or appeal. Failing, the grievance mechanism would be futile.
15.	Section 24	<ul style="list-style-type: none"> • The Industrial Disputes Act (ID Act) is a central Act and the State government through this Bill cannot decide the manner in which the ID Act would apply. • While the ID Act is applicable only to those categories of persons who fall within the definition of workman, a gig worker who is outside the ambit of workman cannot be brought under the ambit of the ID Act through this Bill. • The ID Act is not applicable to gig workers or anyone who is involved in Principal-to-Principal engagement. The 	<p>It is suggested to delete this provision as the same is overriding the powers of the State Government to frame laws within the ambit of the Central Government.</p> <p>Moreover, the objective of the ID Act is to protect the interest of workmen in a traditional employer-employee relationship, they have no other recourse apart from the ID Act. In the event that gig worker involved in a Principal-to-Principal engagement takes over this mechanism, the rights of workmen under the ID Act would be diluted, while gig workers can</p>

		objective of the ID Act is to protect the interest of “workmen” alone.	approach the court of law to enforce their rights, the workmen have the option of only resolving the dispute as per the provisions of the ID Act.
16.	Section 36	There is no qualification specified for inspectors on automated monitoring and decision-making systems	Only those inspectors who have the necessary qualifications and understand the automated monitoring and decision-making systems should be permitted to inspect.
17.	Schedule 2 (3)	There is no protection for aggregators in case of a breach of information provided to the gig worker regarding the automated monitoring and decision-making systems.	The information should be shared subject to indemnification in case of breach by the gig worker. What if the gig worker shares the information regarding the automated monitoring and decision-making systems with competitors or new entrants?
18.	Bill in entirety	Bill is gender specific	It is suggested that the pronouns be gender-neutral.