

Karnataka forms gig workers' welfare development board



News: The Karnataka government has officially constituted the Karnataka Platform-Based Gig Workers' Welfare Development Board to implement social security and welfare measures.

Key Features of the Welfare Board

Composition: The board consists of 16 members, chaired by the State Labour Minister. It includes:



- 5 government representatives.
- 4 representatives from aggregator platforms (including Uber, Zomato, Amazon, and Porter).
- 4 representatives from gig worker unions.
- 2 civil society members and technical experts.



Welfare Fee:

Aggregators are mandated to contribute a welfare fee between 1% and 1.5% of the payout made to gig workers per transaction. This fee is capped at ₹0.50 per transaction for certain sectors like food and grocery delivery.



Registration Mandate:

Both aggregators and gig workers must register with the board. Aggregators have 45 days from the notification to complete their registration and share worker data.



Unique ID:

Each registered gig worker will receive a Unique Identification Number to track and disburse social security benefits.

Additional information - Karnataka Platform-Based Gig Workers (Social Security and Welfare) Act, 2025

Mandate - to provide legal recognition and social protection to approximately 400,000 gig workers.

It replaces the earlier ordinance promulgated in May 2025 and was formally notified on September 12, 2025.

Key Features



Welfare Board & Fund:

Establishes a tripartite Gig Workers Welfare Board headquartered in Bengaluru to oversee registrations and schemes.



It also creates a dedicated Welfare Fund financed by a "welfare fee" of 1% to 5% of the payout per transaction, levied on aggregator platforms.



Registration:

All gig workers must be registered and assigned a Unique ID applicable across all platforms to access benefits.



Algorithmic Transparency:

Platforms are required to disclose details about their automated monitoring and decision-making systems (algorithms) in simple language to ensure fairness in task allocation and earnings.



Grievance Redressal:

A two-tier mechanism is mandated: first through an Internal Dispute Resolution Committee (IDRC) at the platform level, followed by an appeal to the Welfare Board.



Termination Protections:

Platforms cannot deactivate or terminate a worker without providing a valid written reason and a 14-day prior notice (except in cases of bodily harm).