



## KARNATAKA LABOUR WELFARE FUND (AMENDMENT) ACT, 2024

On December 12, 2024, the Government of Karnataka promulgated the *Karnataka Labour Welfare Fund (Amendment) Act, 2024*, amending the provisions of the existing Karnataka Labour Welfare Fund Act, 1965. This amendment primarily focuses on increasing the contribution rates from employees, employers, and the state government towards the Karnataka Labour Welfare Fund. The amendment was enacted on January 10, 2025, marking its formal implementation.

### Key Highlights of the Amendment:

- Increased Employee Contribution:** The contribution rate for employees has been increased from Rs 20 to Rs 50.
- Increased Employer Contribution:** Employers are now mandated to contribute Rs 100, up from the previous rate of Rs 40.
- Increased State Government Contribution:** The state government's contribution to the fund has been raised from Rs 20 to Rs 50.

### Amendment to Section 7(a)(2) of the Act:

The amendment specifically revises Section 7(a)(2) of the *Karnataka Labour Welfare Fund Act, 1965*, which governs the contribution rates from employees, employers, and the state government. These revised rates are intended to enhance the financial strength of the Labour Welfare Fund, thereby ensuring better support for the welfare of workers in Karnataka.

### Impact:

The increase in contributions from all parties is expected to significantly bolster the Labour Welfare Fund, ensuring enhanced resources for worker welfare programs. This includes improvement in schemes related to health benefits, housing, and education for workers.

This amendment represents a significant development towards strengthening worker welfare in Karnataka, ensuring that the fund is adequately financed to achieve its intended objectives.

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