

# **THE ROLE OF MIGRANT WORKERS IN THE GIG ECONOMY: OPPORTUNITIES TO MIGRANT WORKERS AND RISKS TO THE HOST STATE, ESPECIALLY IN KERALA**

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## **ABSTRACT**

“Environmental migrants are individuals who, due to sudden or progressive environmental changes that adversely affect their lives or living conditions, are compelled to leave their habitual homes, either temporarily or permanently, and relocate either within their country or abroad”, according to the International Organization for Migration. The gig economy has become a transformative force in the global labour market, offering on-demand, flexible, and temporary jobs through digital platforms. The study aims to examine the role of migrant workers in the gig economy by exploring both the opportunities it presents and the risks it poses. The expansion of the gig economy in Kerala has opened up new avenues for economic inclusion, particularly for migrant workers who find flexible and immediate employment through digital platforms.

**Keywords:** [Migrant Workers, Gig Economy, Legal Framework, Opportunities, Risks]

## **INTRODUCTION**

Migration refers to the process of moving individuals from one place to another, within a country or across international borders, to establish a new place. Temporary or permanent, voluntary or forced, migration has important effects both on the migrants and the communities to which they belong. As per the studies, Barriga, W. (2013).and Chandran, A., & Chacko, C. M. (2017) this is also confirmed that the results from economic opportunities, social and political conditions, and environmental factors. It can restructure families, blend different cultures, and build groups, but it also brings about injustice, inequality, and various human rights abuses. Then, movement is complex and has various social, human-caused, and economic effects. One must consider all aspects of this trend, as it completely acknowledges and tackles these issues. Resolving the reasons behind worker emigration, defending the rights of migrant workers, and ensuring ethical hiring practices can all contribute to global equality.

The studies also reflected economic disparities that exist between countries and regions constitute a pivotal factor that accounts for labour mobility. Workers usually move from areas of low wages and minimal employment prospects to areas with higher wages and employment rates. The gap in the growth trends and age distributions of the populations of different nations can translate into surplus populations in some countries and scanty workforces in other regions, causing them to migrate. Wars, political instability, and natural

catastrophic events are factors that drive people to abandon their homes in search of safety and better economic opportunities.

With the fast expansion of transportation and communication technology, the cost of travelling has become cheaper and the process of travelling has become easier, which has also increased emigration of people. With the fast expansion of transportation and communication technology, the cost of travelling has become cheaper and the process of travelling has become easier, which has also increased emigration of people. For developing nations, the money that migrant workers send home to their relatives can be a substantial source of income. Additionally, migrants could learn new skills overseas that they can use back home. Protection from exploitation, equitable labour standards, and access to social aid are important policy concerns. To properly regulate the flow of migration, governments must create policies that balance the interests of host countries with the requirements of migrants.

## GIG ECONOMY

The **gig economy** has become a transformative force in the global labour market, offering **on-demand, flexible, and temporary jobs** through digital platforms. Migrant workers, who often face challenges in securing traditional employment due to legal, social, and skill-based barriers, have increasingly turned to gig work as a **viable source of income**.

The gig economy offers immigrants new employment opportunities, but it also puts them at risk for problems, including work insecurity, a lack of labour rules, and potential exploitation. This article looks at the advantages to migrant workers and disadvantages of the gig economy for the host state and offers suggestions for improving working conditions.

With the emergence of digital platforms like Uber, Swiggy, TaskRabbit, and Upwork, the gig economy—which is defined by temporary, flexible, and task-based employment—has expanded dramatically. For many stakeholders, especially migratory workers and host nations, this transition from traditional employment arrangements to on-demand labour has brought both opportunities and challenges.

Migrant workers have historically contributed to labour markets worldwide, often filling essential roles in construction, hospitality, agriculture, and domestic work. The gig economy has expanded their participation by offering low-entry barriers, location flexibility, and income-generating opportunities without requiring formal employment contracts. In countries such as the United States, the UK, Canada, and the Gulf states, migrant workers constitute a significant portion of gig workers, particularly in ride-hailing, delivery, and freelance sectors.

## BACKGROUND OF THE STUDY

Over the past ten years, the global gig economy—which is defined by freelance employment, short-term contracts, and digital platforms—has changed labour markets by providing flexibility and new sources of income. Due to gig work's low entry difficulties and flexible structure, migrant workers—who frequently encounter challenges in formal employment due to legal, linguistic, or credentialing issues—are increasingly engaging in it (Kässi & Lehdonvirta, 2018).

The gig economy depends largely on migrant labour, particularly in industries like food delivery, taxi services, and housework. Businesses such as Uber, Deliveroo, and TaskRabbit mostly depend on migrant labour in developed economies (Berg et al., 2018). These workers often fill jobs that the local workforce finds unappealing, enabling the host economy to operate smoothly and effectively. Many migrants benefit from this opportunity, gaining access to temporary work and a pathway to financial inclusion.

However, host states face a number of concerns as a result of the gig economy's increasing reliance on migrant labour. According to Graham et al. (2017), these include regulatory obstacles like guaranteeing social security, fair wages, workplace safety, and labour rights for a workforce that is primarily informal. In addition, social stability in host nations may be strained by prejudice against immigrants, employment uncertainty, and exploitation experienced by migrant workers (Mezzadra & Neilson, 2013).

Moreover, because gig jobs frequently lack benefits like healthcare, insurance, and pensions, their precarious character may further marginalize immigrant populations (De Stefano, 2016). In the absence of effective governance, host states run the risk of establishing a dual labour market in which migrants are forced to stay in low-wage, uncertain jobs, which may increase socioeconomic gaps.

The concern over how gig-based immigration would affect welfare and public infrastructure is also growing. Political and financial pressure may be placed on host governments to strike a balance between social integration their efforts and labour demands (Anderson, Ruhs, 2010). Understanding the gig economy's dual-edged character for both host states and migrant workers is essential as it continues to grow globally. To guarantee social stability and inclusive progress, policies need to reduce related risks while promoting opportunities.

## **LEGAL FRAME WORK**

The participation of migrant workers in the gig economy has opened up new avenues for economic inclusion, especially for those who face systemic barriers in formal employment. Digital platforms offer low-barrier-entry, flexible occupations that are especially attractive to migratory populations looking for opportunities to earn money right away. However, host states face a number of legal, social, and economic difficulties as a result of the gig economy's increasing reliance on foreign labour.

Current labour and immigration laws in many countries are inadequate to address the evolving nature of gig work, often leaving migrant workers without adequate protection, fair wages, or access to social security. The classification of gig workers as independent contractors continues to exclude them from traditional labour rights in several jurisdictions. While international frameworks, such as those set by the ILO, advocate for fair treatment of all workers including migrants, enforcement and implementation remain inconsistent across regions.

Moreover, the lack of algorithmic transparency and digital rights in platform-based employment further marginalizes migrant gig workers, who may already be vulnerable due to legal or language barriers. Host states must therefore balance the economic benefits derived from migrant labour with the ethical and legal obligation to ensure their welfare, inclusion, and protection. To move forward, it is crucial for policymakers to update legal frameworks to reflect the realities of digital labour, ensure decent working conditions, extend social protections, and safeguard migrant rights. Only through such reforms can the gig economy become a space of opportunity rather than exploitation for migrant workers, while mitigating long-term risks to the social and legal structures of host nations.

## **LEGAL FRAMEWORK GOVERNING THE GIG ECONOMY IN KERALA**

The gig economy in Kerala—like the rest of India—is growing rapidly, especially in sectors such as food delivery, transport services, logistics, freelance digital work, and domestic services. Migrant workers, both from within India and from neighbouring states, are increasingly participating in this sector. However, legal protections for these workers remain limited, as India's labour laws were not originally designed to address the platform-based gig

model. Kerala has taken some notable policy steps to address these gaps, but challenges remain in implementation and enforcement.

- **Employment and Labour Classification**

India's labour laws do not currently recognize gig workers as "employees" in the traditional sense, excluding them from many statutory benefits. The terms "gig worker" and "platform worker" were first used in the Code on Social Security, 2020, a key piece of legislation. It limits gig workers' access to labour rights like minimum wage and job security by proposing to include them in social security programs without granting them employee status. Kerala, being a progressive welfare state, has acknowledged the presence of gig workers. In 2022, the state government announced plans to register gig workers and extend some welfare benefits through the Kerala Unorganised Workers' Welfare Board.

- **Migrant Labour Protections**

Kerala hosts a large number of interstate migrant workers, especially from Bihar, West Bengal, Assam, and Odisha. They are often employed in the informal sector and increasingly in gig work, such as delivery, construction, and domestic services. The **Aawaz Health Insurance Scheme** launched by the Kerala government provides free health insurance to migrant workers. However, it does not explicitly cover gig-specific risks or employment-related injuries. The **Kerala Migrant Workers Welfare Scheme (KMWW)**, though progressive, is underutilized and struggles with outreach and registration—especially among platform-based gig workers who frequently change jobs and locations.

- **Social Security and Welfare Benefits**

Kerala is working to bring gig workers under broader welfare coverage. In 2023, Kerala's government proposed a **Gig and Platform Workers Welfare Fund**, modeled on the Social Security Code. This aims to provide workers with **insurance, pension, and health benefits**, though implementation details are still emerging. Despite these efforts, **gig workers, including migrants, remain largely outside formal social protection**, with limited access to schemes such as **ESI (Employees' State Insurance)** or **PF (Provident Fund)** due to their contractor status.

- **Digital Rights and Platform Accountability**

India does not yet have comprehensive laws regulating **algorithmic transparency** or **data rights** for gig workers. However, Kerala is part of on going discussions under India's **Digital India framework**, and initiatives like **K-DISC (Kerala Development and Innovation Strategic Council)** are working on ethical AI frameworks, which may in future support fairer platform governance. Gig workers, especially migrants with limited digital literacy, are vulnerable to **opaque rating systems**, sudden account deactivations, and wage manipulation—areas still unregulated in Kerala and India at large.

- **Collective Bargaining and Worker Representation**

Gig workers in Kerala, as in much of India, are not covered by traditional trade union protections. Emerging **informal worker unions** such as the **Indian Federation of App-Based Transport Workers (IFAT)** and **All India Gig Workers Union (AIGWU)** have limited presence in Kerala but are beginning to organize delivery workers and drivers in cities like Kochi and Thiruvananthapuram. The Kerala government has **not yet granted formal recognition or bargaining rights** to such unions, but it has expressed willingness to engage in policy consultations with worker representatives.

Kerala has taken several progressive steps to address the legal void in gig work regulation, especially in terms of welfare for informal and migrant workers. However, the legal framework remains in transition. There is an urgent need to:

- **Integrate platform workers into formal labour and social security laws.**
- **Ensure digital transparency and worker rights in algorithmic management.**
- **Strengthen local-level implementation of migrant welfare schemes targeting gig workers.**

As per the result of the study, gig work is becoming more and more common within Kerala's economy, especially for migrant workers. Significant legal reforms and focused protections are necessary to encourage good work and lower socioeconomic risks.

## **OBJECTIVES OF THE STUDY**

The study aims to examine the role of migrant workers in the gig economy by exploring both the opportunities it presents and the risks it poses. It seeks to understand the extent and nature of migrant participation in various gig platforms and identify the economic and social benefits such as income generation, flexible work options, and skill development. The study intends to highlight the vulnerabilities faced by these workers, including job insecurity, lack of legal protection, and inadequate access to social welfare. It also aims to assess the potential challenges for the host state, such as labour market imbalances, regulatory gaps, and pressure on public resources. Furthermore, the study will evaluate the influence of digital platforms in shaping the working conditions of migrant gig workers and explore policy recommendations to ensure a fair and sustainable integration of migrant labour into the gig economy.

## **RESEARCH METHODOLOGY**

This study adopts a qualitative research methodology, complemented by quantitative data where applicable, to explore the experiences of migrant workers in the gig economy and the broader implications for host states. Primary data collected through semi-structured interviews and focus group discussions with migrant gig workers across various sectors, such as ride-hailing, food delivery, and digital freelancing. Secondary data will be gathered from academic journals, government reports, labour statistics, and international organization publications (e.g., ILO, IOM, World Bank) to support the analysis. A thematic analysis used to identify recurring patterns and issues in the experiences of migrant workers, while comparative analysis will be applied to assess the varying impacts of gig work across different host countries.

## **RESEARCH DESIGN**

The present study adopts an exploratory and descriptive research design to investigate the dual aspects of migrant workers' engagement in the gig economy—namely, the opportunities it offers to workers and the risks it also provides to the host state.

### **Challenges Faced by the Host State (Kerala) in the Context of Migrant Workers in the Gig Economy:**

- **Regulatory and Legal Challenges:**

The gig economy often operates in a legal grey area, making it difficult for the state to effectively regulate working conditions, taxation, and employer responsibilities. Migrant gig workers, many of whom work informally, are outside the purview of traditional labour laws, posing a challenge for enforcement and oversight.



- **Strain on Public Services and Infrastructure:**

The growing migrant population increases demand for affordable housing, healthcare, sanitation, and transportation. Kerala's urban centers, where gig jobs are concentrated, face additional pressure on already stretched civic infrastructure and social welfare systems.

- **Social Integration and Cultural Tensions:**

The influx of migrant workers from diverse linguistic and cultural backgrounds sometimes leads to issues related to integration, social cohesion, and even xenophobia. Local populations may perceive migrants as a threat to job opportunities or cultural identity, resulting in tensions.

- **Data and Policy Gaps:**

Kerala lacks comprehensive and real-time data on migrant workers involved in the gig economy. This hampers evidence-based policymaking and the development of targeted welfare schemes, leaving both the workers and the host communities vulnerable.

- **Risks to their health and safety:**

Without access to adequate health insurance or occupational safety laws, migrant gig workers—particularly those engaged in delivery and transportation services—frequently work in dangerous environments. Public hospitals and emergency services are under more strain as a result.

- **Impact on Local Labour Market:**

The availability of cheap and flexible migrant labour can create downward pressure on wages and working conditions for local workers, particularly in low-skilled sectors. This could lead to a more informal system of labour and growing income inequality within the state.

- **Administrative and Coordination Challenges:**

Kerala's administrative framework is often not adequately equipped to monitor and manage the activities of gig platforms employing migrants. Coordinating between labour departments, law enforcement, and digital platforms remains a complex task.

## **SUGGESTIONS:**

- **Formulation of Inclusive Gig Economy Policies:**

The government should develop clear regulatory frameworks that formally recognize gig workers, including migrants, as part of the labour force. This will also ensure basic protections such as minimum wages, grievance redressal, and social security coverage.

- **Creation of a Migrant Worker Database:**

A centralized digital registry of migrant gig workers should be created and regularly updated. This would also help policymakers track workforce trends, ensure access to benefits, and plan infrastructure and welfare services accordingly.

- **Integration into Social Security Schemes:**

Gig workers, regardless of their origin, should also be brought under existing welfare schemes, such as health insurance (e.g., Ayushman Bharat, state schemes), accident coverage, and pension plans through platform-based or government-facilitated enrollment.

- **Platform Accountability and Regulation:**

The government should enforce rules that mandate gig platforms to share responsibility for workers' rights and welfare. For instance, platforms should contribute to worker insurance, provide safety training, and ensure fair algorithmic practices.

- **Skill Development and Digital Literacy Programs:**

Migrant gig workers often lack formal education or digital skills. Tailored skill enhancement programs in local languages can help workers improve their income potential and shift to higher-value gig tasks or even traditional employment over time.

- **Strengthening Inter-State Coordination:**

Since many migrant workers come from states like Bihar, West Bengal, or Assam, Kerala can collaborate with these states to ensure smoother migration, identity verification, and benefit portability (e.g., health cards, ration cards).

- **Community Integration Initiatives:**

Local bodies and NGOs can help bridge cultural gaps by organizing community events, language support programs, and legal awareness workshops to promote better integration of migrants and reduce social tensions.

- **Regular Monitoring and Research:**

Continuous academic and policy research on migrant participation in the gig economy is essential. Institutions and think tanks in Kerala can conduct periodic studies to identify trends, needs, and emerging challenges.

## CONCLUSIONS

The expansion of the gig economy in Kerala has opened up new avenues for economic inclusion, particularly for migrant workers who find flexible and immediate employment through digital platforms. These opportunities often represent a significant improvement in income and livelihood for many migrants, serving as a socio-economic lifeline in the absence of formal job prospects. However, this apparent win-win scenario conceals deeper structural challenges for the host state. For Kerala, the increasing dependence on migrant gig workers raises concerns regarding regulation, social protection, and public infrastructure. The lack of legal safeguards and benefits for these workers not only leaves them vulnerable but also places added pressure on Kerala's welfare-oriented governance model. Issues such as housing shortages, strain on public health services, informal employment conditions, and inadequate labour oversight highlight the potential long-term risks to the state's socio-economic stability.

While migrant involvement in the gig economy is a symptom of broader labour market shifts, it also demands a rethinking of labour policy, urban planning, and platform regulation. Kerala must strike a balance between embracing the economic contributions of migrant gig workers and instituting frameworks that mitigate associated risks. A proactive approach—grounded in inclusive policy, data-driven governance, and inter-state coordination—can ensure that the gig economy evolves as a sustainable and equitable system for both migrant workers and the host state.

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