

LABOUR MARKET EMPLOYMENT WAGES AND INTEGRATION OF ETHNIC MINORITIES

19/11/2025

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EXECUTIVE SUMMARY

Organisations design strategies, policies and processes to ensure that employees they hire receive commensurate wages or remunerations while they focus on managing them to accomplish various objectives. This report focuses on labour market wages and how it affects the integration of ethnic minorities. We believe that good remuneration could serve as motivation and encourage employment and career progression.

The methodology adopted the following search terms: “wages,” “cheap labour,” “impact,” “integration,” “disparities,” “employment,” “ethnic minorities,” “education,” “labour market.” The materials used were Peer Reviewed and in English language published within five years in these databases: Academy of Business Reviews, PubMed, Embase, and Web of Science. Discussions were held with supervisor and lecturer on the suitability of these studies.

Findings reveal astronomical wage inequality across ethnic groups in United Kingdom and OECD countries. Disturbing reasons were certificate disregard, poor knowledge of the labour market, cultural obduracy, statistical discrimination, analphabetic, education, special neighbourhood concentration, lack of skill and information among others.

This conclusion points to post-graduate education as the panacea so that ethnic minorities could benefit more than just economic gains but may also benefit from social and political participation. Labour market policy should focus on compulsorily education first before taking job to submerge ethnic minorities into technical skills and higher education. Bilateral agreements over certificates and verification should receive advanced research.

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1. INTRODUCTION AND BACKGROUND

Business organisations pursue strategies with a focus to achieving their various objectives (Gorshkov, 2024) which include profit maximization, that is, generating financial sustainability and growth to ensure market expansion, customer satisfaction, technology innovation and operational efficiency to reduce costs (Gorshkov, 2024). Consequently, visionary leaders employ numerous remunerative strategies to attract cheap labour that will be in favour of productivity at lower cost (Anderson et al., 2017, p. 636; Klein, 2020). The focus of this study is to explore the effect of low wages on the integration of ethnic minorities. We believe that good remuneration could serve as motivation and encouragement for employment and career progression of people.

Moreover, there had been literature on the use of cheap labour to fulfil various organisations objectives (Andersen et al. 2023; Dostie et al., 2023; Gorshkov, 2024). Findings reveal about segregation of immigrants in low-paying companies leading to cheap and considerable wage gap and deprivation (Arellano-Bover and San, 2023; Åslund et al., 2021). Research indicated that good wages growth facilitate integration (Dostie et al. 2023; Eliasson, 2013). Therefore, this report will contribute to that literature on what type of people are affected, why and how to ameliorate the impact.

This is predicated on the concept that labour economics revolve around usable or marketable skills of workers as a form of capital in which workers make their own investments and get the reward thereof. On their part, Arellano-Bover and San (2023), claimed that the lower-paying companies account for a substantial portion of the hourly wage gap. However, Chiswick's theoretical model Chiswick, (1978) countered that the major obstacle for migrants is the absence of host country specific human capital as a driver of labour market economics (Andersen et al. 2023).

One on the organisational strategies for payment is to reallocate their workers to pay them better (Dostie 2022). However, the structure of wages paid, the “narrative” by managers and other incentives help us to understand why companies need cheap labour. There are critical philosophical presumptions that underpin this research into business administration and management coupled with epistemological, ontological, axiological and methodological framework. Armstrong, (2007, p. 109) delved into employee reward management practices and declared that the “human capital theory conceptualises workers as embodying a set of

skills which can be rented out to employers” (p. 109). And that productive human capital comes from education (Gorshkov, 2024).

The neoclassical economic theory of labour markets proposes that product prices are determined by quantities exchanged, therefore labour markets determine wage rates based on the availability of people who can do the job. If it involves loading cement on a trailer or picking spare parts in Amazon warehouse the foundation of this theory subsists. It is therefore, assumed that as the wage rate increases, the quantity of labour supplied rises as well. It is also assumed that the labour market is perfectly competitive such that each employee takes the market wage as given and so is an employer (Andersen et al. 2023). It is therefore believed that no single employer has the power to influence the wage that is paid because it is competitive. The reverse is the case with labour market employment, wages and integration of ethnic minorities.

The labour market of value postulated by Karl Marx contradicts itself with the labour market theory of economics. Whereas Karl Marx believe that the value of goods and services is determined by the amount of labour that goes into them (Armstrong, 2007, p. 108). Which means it is not set by the market. The labour market believes that “too many buyers for a limited number of goods forces prices up and a surplus of goods beyond what buyers want forces prices down” (Armstrong, 2007, p. 108). However, the ethnic minorities lack the negotiating power to upset demand and supply movements.

The push-pull theoretical framework which aligns with neoclassical theory believe in economic context of the flow of workers (Bauer and Zimmermann 1999). However, the segmented theory of labour believes that migration is not caused by push factors in sending countries with deplorable conditions of instability, low wages and high unemployment, but by pull factors of Organisation for Economic Co-operation and Development (OECD) countries. This theory insists the built-in demand for low wage; can be hired and fired in the manner postulated by Max Weber and Frederck Tailor (Piore 1979). This is in consonance with the vision of company leaders’ narratives to attract more cheap labour into the labour market which makes this study important, and which affects the integration of ethnic minorities.

The labour market wages help ethnic minorities build their families and rise in occupational status. When they could not get enough wages, it may be tagged as informal and formal discrimination in workplace. The manipulation of labour market wages Andersen et al. (2023) comes in form of formal institutional mechanisms like time keeping surveillance, no recognition of educational qualifications, avoidance, non-recognition of soft and transferable skills.

Institutional policies based on minimum wage used for civil service rules, bureaucratic regulations, guarantee that wages correspond to the bottomless status. Since higher educational qualifications and transferable skills have received less attention, the universities can improve the employability of students up to post graduate level in academic courses including teaching, communication, teamwork, problem-solving, (Otermans, 2025).

Problems of income, penury and prejudice arise with ethnic minorities because at the bottomless status they do not encounter sufficient economic or social status to maintain themselves and because those at the prestigious economic status do not permit upward mobility. For this reason Japaridze and Kaplan, (2025) asked “Do you play Hockey?” while delving into the cultural and economic integration of immigrants in Canada. Installation of technology in some companies that is supposed to be an advantage has pushed ethnic groups further away from jobs and promotion. The technology and robotisation has eliminated, for instance welders, artisans and labourers into a new bottomless, burdensome and least desirable class of jobs thereby creating a new bottom tier composed of jobs that used to be just above the bottomless stage.

For this reason, Japaridze and Kaplan, (2025) assesses whether the game of hockey provides for multicultural interaction where pluralism or diversity or integration or assimilation occurs and enables a sense of Westernised and Canadian identity and belonging for ethnic minorities. From the epistemological point of view, Japaridze and Kaplan, (2025) study is based on positivism and empiricism, as it relies on quantitative data analysis to derive insights about immigrant economic integration into the labour market.

This work contributes to the expanding debate on the role of companies and wage irregularities which affect integration. Companies allow differential wage pay premiums between immigrants and nationals according to Dostie et al. (2023) who investigated the Canadian linked employer– employee data on company’s immigrant-native wage gap. Having explored the introductory part of this report, the proceeding department underneath will feature the aims and objectives; the research questions to be followed by literature review.

1.1. Research Aims and Objectives

The aim of this research is to explore the effect of low wages in the labour market for integration of ethnic minorities This would address the limitations of existing policies and emphasise employment sustainability, professional support, high education and training.

1.2. The main objectives of the study are:

1. Exploring the factors of integration and their impact to economic integration.
2. Considering the impact of low wage disparities on “outsiders”.
3. To encourage high education and social connectedness.

1.3. The research questions are:

1. How do education and certificate recognition affect employment and wages?
2. Who is most affected by wage disparities?
3. What are the effects on integration of ethnic minorities?

1.4. Overview of impact of labour market wages in other departments of the study

This report has presented the aspects of introduction and other key areas of the study and would move forward to present the literature review, then and insider question is asked: why are there disparities on wages? The methodology and its characteristics are introduced. The next department will present aspects of low wages to enhance or inhibit integration; education and certificate recognition; types of education to enhance skills acquisition; who are affected by wage disparities? That showed that people from OECD countries and females are significantly affected by low wages which produces wage disparities (Gorshkov, 2024). Other departments will join to present how universities can improve employability skills into their curricula? Overview of policies on labour market wages; overview of other key factors of integration and systems thinking and will finalise with discussion and conclusion.

2. Literature Review

As legs, hands and faces differ from each other, so do people of the world differ in ethnicity, culture, race, language, history, economic and social values. Theories are formulated; frameworks adopted and policies established to accommodate this diversity. People have attempted to earn their living by working assiduously to make ends meet, but it remains that these differences serve as a fifth wheel to their upward progression.

There is always a running battle when labour market employment, wages and integration of ethnic minorities is discussed because the labour market was made before the advent of the

great migrations of 1492 and 1930 where more than 60 million Europeans migrated to America in search of greener pastures. Therefore, in the subsequent literature review a continuation of the location of the philosophical or epistemological, ontological, axiological and methodological presumptions will suffice.

Specifically, acculturation, integration assimilation are terminologies that blend divergent societies together. In United Kingdom as well as other nations, acculturation plays a significant role in labour market and economic integration by helping the vulnerable, precariat, immigrants to blend into society and potentially improve their labour market outcomes (Andersen et al. 2023). This is why this study is very important.

For this reason, Japaridze and Kaplan, (2025) delved into the contending issue of labour market employment, wages and integration of ethnic minorities to find out “how ethnic minorities can ascend economic and cultural labour market integration with the tittle: “Cultural and economic integration of immigrants in Canada: “Do you play Hockey?”. The authors evaluated whether hockey as a game that pulls society together can provide multicultural interaction where pluralism occurs and enables a sense of Canadian identity and belonging to flourish for ethnic minorities which will signal social and economic integration. They visibility and participation in winter sports like hockey, as the economic integration of immigrants in Canada, highlighting the impact of acculturation on earnings and the persistence of racial biases against visible minorities. To this end, they would correct the bottomless status.

Furthermore, Japaridze and Kaplan, (2025) identified lack of education, employability skills, language skills, and work experience (Kriesi and Sander, 2024). Low education made it impossible to recognising their certificates an age certificate. The authors believe that acculturation affect earnings by helping them upgrade to integration into Canadian society and by practicing hockey, attenuation of income gap will resonate.

The epistemological stance of this study is rooted in positivism and empiricism, which relies on quantitative data analysis to derive insights about immigrant economic integration. Japaridze and Kaplan, (2025) adopted statistical methods (OLS and Ordered Probit regression) to analyse data from the Canadian Community Health Survey (CCHS) covering individuals aged 15 to 60 years. The ontological implication aligns with realism, and assumes that social phenomena like acculturation, discrimination, and economic integration exist independently of individual perceptions. The authors perceived limitations in endogeneity and omitted variable bias. Ethical concern is visible in both methodology and implications because it asked a rhetorical question with the implication of potential reinforcement of stereotypes.

Another important author, Aparicio and Kuehn, (2019) investigated the labour market employment, wages and integration of ethnic minorities. The methodology used empirical strategy to estimate the effect of the interaction between migrants' English proficiency. The methodology uses a cohort, conducting exogeneity checks to ensure education reforms. However, this report prefers to use education as our terminology so that it can be generalised. The use of English proficiency would be comfortable with the Scandinavian countries. This report supports higher education instead, to facilitate advanced post graduate studies which will equip ethnic minorities with employable skills, Otermans, (2025) contended that the universities can develop new skill in their curricula including teaching, communication, teamwork, problem-solving.

The research adopted a functionalist model which explains epistemological and ontological implications. The methodology promotes coexistence of multiple and diverse perspectives on pluralist paradigm and causal relationships between labour market and education. It treats migrants' skills, natives' skills, and other contextual factors as real. However this study is limited in scope and applicability.

Longhi, (2020, p. 881) provided a scholarly article analysing ethnic minorities unemployment differentials that are longer than those of white British majority men and women in United Kingdom. Job losses and unemployment have negative impact on wages, career development and social status which this study is interested in.

The causes of labour market low wages, unemployment and disparity which are antithetical to integration of ethnic minorities include biases in the labour market, education and marital status (Longhi, 2020, p. 889). This was supported by Rathelot 2014) who argues that labour market inconsistencies emanate from mismatch of skill, systemic barriers wage differential and low wages. Another author supported this argument with longer duration of unemployment and statistical discrimination and lack information (Gobillon, et al., 2014; Longhi 2020, p. 890). However, the transition from paid employment to unemployment is not significantly different for ethnic minorities compared to white British individuals (Longhi, 2020, p. 889).

To raise this critique a bit higher, ethnic minorities may not know that they have right to education and may only be selected for a short period of time which will affect their wage and integration. This is predicated on the fact that the European Interior ministries and UK Home Office demand three to six months' salary slips to issue residence permit or its renewal. This applicant will not be able to submit uninterrupted six months' salary slips and have statistical

discrimination (Longhi, 2020, p. 890). The study suggests self-employment and its impact on ethnic unemployment differentials for future research. Longhi, (2020) adopts a neoclassical labour market perspective with institutional and behavioural economics which makes it adaptable as foundation for this study. The proof of this is the study valued education, marital status, household income, transportation and coupled with statistical profiling.

The epistemological reliance on longitudinal data from the UK Household Longitudinal Study (UKHLS) helps to understand ethnic unemployment differentials and wages and knowledge gaps exist, whereas ontological implications reveal the downside and ethical dimension of structural inequalities in the labour market (Longhi, 2020, p. 881). The validity and reliability of this study is verifiable through internal validity whereby it used a reliable data whereas the external validity is recognised by sample of the population which is generalizable e.g. whites, other whites, blacks and mixed ethnicities. Its reliability depended on data form (2009 – 2015), consistency and replicability of the study's findings.

Labour market employment, wages and integration of ethnic minorities attracted Andersen et al. (2023) who examined the impact of initial neighbourhood characteristics on the long-term employment outcomes for a period of (25 years versus 10). The epistemology is adduced by relying on the quasi-experimental design on the causal relationship between initial neighbourhood characteristics and labour market outcomes.

The methodology is a quasi-experimental design policy of ethnic minorities. Data was sourced from Statistics Norway (SSB), from 1990 to 2019. The Outcome Variable employment status, measured as a binary indicator (1 for employed, 0 for unemployed) based on a population 25–59 years during the outcome measurement period (2010–2019). A linear probability model (LPM) is used to estimate the relationships. Moreover, the empirical evidence derived from statistical analysis, suggests a positivist epistemological approach (Andersen et al. 2023). The ontological dimension reflects neighbourhood labour characteristics and individual outcomes and the axiology is the focus on improving refugee integration and labour market outcomes (Andersen et al. 2023).

Zwysen and Longhi (2018) focused on the early career of British graduates and found that ethnic minority graduates are less likely to find a job but those who do have a job do not experience ethnic wage differentials. Results show the consistency of the presence of statistical discrimination and employers may discriminating against minorities (Gobillon, et al., 2014; Longhi 2020, p. 890; Zwysen and Longhi, 2018, p. 881).

The study highlighted that ethnic minorities who are often concentrated in occupations characterized by low wages and less stable jobs who are mostly affected by low wages (Longhi, 2020, p. 889; Zwysen and Longhi 2018, p. 881).

Furthermore, ethnic minority groups of Pakistani, Bangladeshi, African, and Caribbean individuals are more likely to earn low wages and be employed in lower-quality jobs compared to the white British majority. Another group affected are the early career graduates from ethnic minority graduates because of lack of experience in ethnic wage differentials (Zwysen and Longhi 2018).

Hall, et al. (2024) analyses ethnic minority migrant pay gaps over the life cycle in United Kingdom and found that they earn less than white UK-born counterparts, 0.23 log points (~23%) for men and 0.17 log points (~17%) for women at entry. Whereas black African men are at 0.41 log points. Methodology include Annual Survey of Hours and Earnings (ASHE) and 2011 census to analyse pay gaps covering 1999-2018 of people aged 20–50 years adding ethnicity, and education excluding self-employed individuals. The research dissects pay gaps throughout the career and suggests that discrimination and differences in human capital contribute to persistent pay gaps which affects integration efforts (Hall, et al. 2024). The finding declared that policymakers should target this group to address labour market inequalities and discountenance the more optimistic views of Sewell Report on Race and Ethnic Disparities.

Wages gaps of groups are calculated of early career (ages 25-35) and mid-career (ages 35-45). Low wage gaps are influenced by the role of firms and occupations, migrant wage penalties by age of arrival which affect negatively on the integration of ethnic minorities into the labour market. Hall, et al. (2024) argued that wage penalties and occupational segregation can hinder integration and perpetuate economic disparities. The epistemological can be noted on the reliance on empirical data while the ontological dimension can be drawn from social construction of inequality shaping labour market wages

Elevating why low wages affect integration of minorities Hall, et al. (2024) supported other authors by declaring that the factors are conditioned by lack of familiarity with UK labour market norms, age of arrival in the UK, ethnicity, segregation, ethnicity, discriminatory hiring practices, unrecognized qualifications of minorities (Gobillon, et al., 2014; Hall, 2024; Longhi 2020; Zwysen and Longhi, 2018).

This report deals exhaustively with the submissions of Gorshkov (2024) to show research philosophy, ethics, reliability and validity. He tackled ascending job ladder on labour market

employment, wages and integration of ethnic minorities. By using the Danish linked employer–employee data, the author examines the importance of access to higher-paying firms in the wage assimilation process among immigrants during their 25-year tenure in Denmark. The wage gap diminishes rapidly within the first 5–10 years, particularly among more disadvantaged immigrant groups non-Organisation for Economic Co-operation and Development (OECD) and female immigrants) according to (Gorshkov (2024). On their part, Arellano-Bover and San (2023), said that the” lower-paying companies accounts for a substantial portion of the hourly wage gap, with the largest impact occurring at the beginning (around 30% of the age adjusted gap)”.

Resonating a contrary view, Chiswick’s theoretical model Chiswick, (1978) declared that the major obstacle for migrants is the absence of host country specific human capital as a driver of labour market assimilation. He argued that immigrants start with lower levels of country-specific skills and knowledge than natives, despite their formal education and work experience. He gave example of proficiency in skills and language has the capacity to increase higher wage growth and closing the wage gap.

On their part, females exhibit considerably steeper labour market assimilation profiles, a result consistent with European evidence from (Lee et al. 2022). Andrei Gorshkov (2024) argues that “within 25 years, female immigrants reduce the earnings gap by over 40%, males 20%. Additionally, the employment gap for females closes 35%, males 10%.

Andrei Gorshkov (2024) adopted quantitative, primarily and empirical method, relying on statistical analysis of Danish linked employer-employee data from Denmark data bank: BFL dataset (monthly employer-employee register), and FIRE dataset. In its empirical framework it employs AKM-style decomposition methods (Abowd et al., 1999) to analyse wage assimilation profiles and the role of firms in immigrant wage assimilation e.g., OECD vs. non-OECD. This epistemological implication is established through reliability of the data sources (e.g., Danish employer-employee data), the validity of the methods used (e.g., AKM-style decomposition. The ontological issues concern the immigrant wage assimilation and job ladders. But they may be peculiar to Denmark or universal because labour markets all over the world has the potential to shape wage structures and mobility. The axiological dimension can be inferred on the value of equality, motivated by the value of reducing disparities

In terms of internal validity, Gorshkov (2024) use of Danish linked employer-employee data and robust statistical methods (e.g., AKM-style decomposition) enhances internal validity. The study accounts for individual-level heterogeneity, age, year effects, and firm-specific factors.

This result reflects true labour market assimilation patterns which can be useful to minimise the disparities and wage inconsistencies that affect ethnic minorities integration (Gobillon, et al., 2014; Hall, 2024; Longhi 2020). In External Validity the study focuses on Denmark, and the Scandinavian which may not be generalizable. However, there is data reliability and methodological reliability because of the use of comprehensive administrative data. The limitation is in missing data and sample restrictions.

2.1. Why are there Disparities of Wages?

Mirza, and Warwick, (2024); Williams, et al. (2024) highlighted several reasons for wage inequality across ethnic groups in United Kingdom. They detected low levels of education, which attracts low wages e.g. Blacks, Pakistani, and Bangladeshi men face significant wage penalties despite their educational qualifications, occupational segregation e.g. Bangladeshi and Pakistani men are often concentrated, discrimination, e.g. South Asian and Black individuals, job characteristics, e.g. Black Caribbean men concentrate sales assistants and security guards, and systemic barriers or discrimination in labour market outcomes which is antithetical to integration of ethnic minorities (Gobillon, et al., 2014; Hall, 2024; Longhi 2020).

However, it must be argued that concentration of people in one neighbourhood and non-recognition of education qualifications as presented by Mirza, and Warwick, (2024); Williams, et al. (2024) can be superimposed by overriding lack of residence permit or unfavourable migration history. On this critical analysis, one can conveniently declare that there was no bilateral agreement between their country of origin and their host countries which makes the discussion very interesting. It is hoped that through a new study, European countries can establish bilateral agreements on education and certification with all immigrant exporting countries.

On the concentration of ethnic minorities, it is a welcome situation for an immigrant to live very close or same neighbourhood where h/her brothers and sister are residing so that h/she will learn the tread of survival. In this way h/she finds work easier, opens bank account easily, buy car, supermarket shopping through the help of countrymen and become able to buy exotic condiments coming from their country of origin like garri, nchuanwu, yam, egusi, peppercorns, star anise, green birds-eye chillies, turmeric, and lemongrass. Therefore, concentration of ethnic minorities is a blessing and self-inflicted which can be good or bad depending on the circumstance.

Williams, et al. (2024) methodology adopted a descriptive analysis with a historical overview of ethnicity-based patterns in job and wages that facilitate the integration of ethnic minorities. They used mixed-method quantitative approach with data from UK Understanding Society Survey (USS) and the Skills and Employment Survey (SES). The paper employs multivariable linear regression analysis (OLS), decomposition analysis and heterogeneity analysis with a breakdown by sex and occupational class.

Williams, et al. (2024) found factors for ethnicity disparities in job wages and control in UK to include lower job control for BAME workers especially Black, Asian, and Minority Ethnic (BAME); Heterogeneity among BAME Groups e.g. Indian, Pakistani, Bangladeshi, Black Caribbean, Black African; foreign-born workers face greater disparities (Gobillon, et al., 2014; Hall, 2024; Longhi 2020; Mirza, and Warwick, 2024; Williams, et al. 2024). However Indian and Chinese workers also face penalties, but they prefer office work just like the Jamaicans which boils down to low wage labour. Williams, et al. (2024) found gender differences where women of the ethnic minority women tend to experience smaller job disadvantages. This research points to discrimination, the sword of Damocles which permeates into the main fabrics of workplace (Williams, et al. 2024).

Williams, et al. (2024) enunciated factors that affect job control disparities among ethnic groups in the United Kingdom which is in consonance with the postulations of (Mirza, and Warwick, 2024; Williams, et al. 2024). Occupational Segregation: BAME workers are underrepresented in managerial and professional occupations, which typically offer higher levels of job control. For example, Bangladeshi workers are overrepresented in routine and manual occupations, while Black Caribbean and Black African workers are overrepresented in health and public sector jobs. Williams, et al. (2024) concludes that ethnicity persistent job control disparities compared to White British workers which is inimical not only to integration but also career progression.

Williams, et al. (2024) study has positivist epistemological implication in understanding ethnicity disparities in job control and will help in job quality, wages which helps us to understand the labour market disparities. It used large-scale datasets (USS and SES).

The realist ontological implications highlight the complex, structured, and socially constructed nature of labour market segmentation and ethnicity-based disparities that impinge on assimilation and personal development of ethnic minorities. They found several challenges in the UK labour market because of language proficiency, recognition of qualifications, hiring discrimination, and occupational segregation. Intervention in areas of language proficiency

and recognition of certificates are factor in reducing barriers to integration and enhancing the social and economic inclusion of migrants.

In the proceeding part, the study will present the methodology which will explain the methods used in literature search strategy and references to the quality of databases which provided the peer reviewed article analysed in this report. The presentation underneath will include coded search terms adopted.

3. Methodology

The literature on labour market wages and impact on integration of ethnic minorities was retrieved by searching the following databases: Academy of Business Reviews, PubMed, Embase, and Web of Science. Discussions were held with supervisor and lecturer on the suitability of these studies. The materials used were Peer Reviewed and in English language. It focused on articles for the literature review published anywhere within five years, i.e. between August 2019 and August 2025.

Whereas the following terms were used in our search strategy: “wages,” “cheap labour,” “impact,” “high education,” “integration,” “disparities,” “employment,” “ethnic minorities,” “labour market.” These searches were restricted to the English language. Articles, reviews, abstracts were reviewed, and studies that met the inclusion and exclusion criteria were included in this article.

The study focus on labour market integration wages disparities which affect full integration and assimilation of ethnic minorities. Studies that focused only on CEOs or concentrated on only older or younger generations were excluded. Special individual reports case reports, focus groups, and editorial commentaries were also excluded. There were limitations identified relating to time factor and it takes a long time to have ethical approval which will enable us pass questionnaires on the participants. At this juncture, the study presents hereunder some answers to the purposeful research questions emanating from the literature and terms of reference for this work.

4. Overview of Labour Market Employment Wages and Integration of Ethnic Minorities

4.1. The philosophy of labour market wage

Considerations are made when it comes to classical economic theories which believe that pay levels are prices that labour markets are determined by supply and demand (Armstrong, 2007, p. 109). The meaning is that the price of labour would go up if there is scarcity of labour and if the supply of labour is abundant, the pay would go down. And the price stabilises when there is “market equilibrium.” This idea was stated by Adam Smith as quoted in (Armstrong, 2007, p. 109). Adam Smith asserted that “the subsistence theory of wages which implies that pay must be enough for a worker to live and support family.” All these are based on “all things being equal,” but labour markets are never equal or perfect labour market.

4.1.1. Low Wages to Enhance or Inhibit Integration

Some ethnic minorities of Nigeria, India and Jamaica descent have shown remarkable university education, but alas, does not eliminate wage disparities. This includes nurses, dentists and civil servants, but they are few and their roles are not visible. This may be why Gorshkov, (2024) said that immigrant workers commence their careers in low-paying positions but then, through the accumulation of country-specific human capital, improved signalling, or refined job search strategies, ascend the job ladder and narrow the wage gap with other workers.

4.1.2. High Education and Certificate Recognition

Many issues surrounding ethnic minorities can be solved by pronouncements or change of government, but the issue relating education, and certificate recognition would pass many layers of political debate before resolution. Maybe that is why Kriesi and Sander, (2024) said that education is a key determinant of wage levels, wage development, and other labour market outcomes, such as status mobility. The authors looked at the long-term wage development of those who obtained higher education and declared that degree holders experience steeper wage growth and that degree holders enter well-paid labour market positions having advanced employability skills and qualification, (Aparicio and Kuehn, 2019).

High education can serve as key determinant of wage increases and status redefinition (Aparicio and Kuehn, 2019; Kriesi and Sander, 2024). However, people who have their age in dispute at the Home Office or Tribunals and lack residence permit and certificates with not have the temerity to advance in education. This traumatic drawback would graduate to other psychological problems. This is predicated on the fact that h/her identity is not yet recognised by the State, therefore fear of deportation process would be hanging on their neck like the Sword of Damocles.

According to Armstrong, A., (2007, p. 109) the “Human Capital Theory conceptualises as embodying set of skills which can be “rented out” to employers” should be remunerated justly. Additionally, that knowledge and skills come from education, training, experience and that higher education leads to greater wage growth (Gorshkov, 2024). It follows that the employee would expect return on human capital whether immigrant or Romans, or labourers, or miners or carpenters. Above all the remuneration on “human capital investment should be at a higher level of earnings, which would enhance greater job satisfaction” (Armstrong, 2007, p. 110)

Ethnic minorities with higher experience can earn wage growth compared to less educated immigrants. Their earnings gap with autochthonous narrows with longer assimilation period for highly educated immigrants, thereby accumulating transferable skills (Gorshkov, 2024). However, government policy on minimum wage sets the lowest hourly, daily, or monthly wage that employers must pay their workers, but to reduce income disparities and support vulnerable workers new policies are needed.

4.1.3. Types of Education to Enhance Skills Acquisition

Education is an important factor in upgrading low wages; upgrading status and career progression including reducing unemployment differentials, (Longhi, 2020, p. 889; Zwysen and Longhi 2018). However, these factors may not eliminate envisaged statistical discrimination and structural barriers. For the reader or user, this report recommends advanced multidisciplinary approach in studying and reading to the highest level of education and fighting the draconic policies with experience. Therefore, it is important to include higher education qualifications to reduce the nemesis of unemployment and increase the probability of exiting unemployment. Educating the ethnic minorities would engender certificate recognition (Zwysen and Longhi, 2018)

A bachelor's degree, or postgraduate or doctoral levels of education reflects a potential level of skill and capability which will dictate workplace success like high wages and career enhancement and knock off unemployment. However, De Lange et al. (2022) found that students who studied at post-graduate level had just as much difficulty accessing the accounting labour market as those who had studied at undergraduate level. This situation is also noticeable.

Skills acquisition and higher education by the British Government like the (Science, Technology, Engineering, and Mathematics - STEM) is commendable for the beginner. Added

to this are post-graduate multi-disciplinary education in social sciences, anthropology, health, business, law, and economics science, technology, engineering, and maths are generally associated with higher earnings.

Multidiscipline education should start after the starting point for aggressive education. This policy can focus on compulsory education to submerge ethnic minorities into technical and further education. Policy makers can borrow from here and other countries and insist that those who desire to uplift their low wages should and willing to train in real-world academics of applications and problem-solving. Those willing should come and those who are not willing should leave. Ethnic minorities as well as autochthonous people can benefit equally in the residual critical thinking for high and post-graduate studies where they can develop better understanding of why, who, what, where, when, and how, (5Ws&H).

Contributing to the philosophical versus practical determinants Kriesi and Sander, (2024) averred that the philosophy of education determines the purpose and methods of education that coincided with Aparicio and Kuehn, (2019); Japaridze and Kaplan, (2025) and that the outcomes of that education can directly influence wage levels. It is not a difficult assignment to professionalise people with ethnic minority background going by the enormity of education programmes prevalent in Europe, nay United Kingdom. On the other hand, the receivers who belong to the ethnic minority should be ready to recognise the efforts of government organisations to integrate them. Anyone in this category can utilise the opportunity to improve in not only educational needs but also career upgrading and social status.

This type of education would focus on developing critical thinking and creativity, thereby equipping them with emerging careers in humanities, social sciences, health, natural science, IT, technology, AI, and ChatGPT. Certificate recognition is the *Achilles Hill* of education advancement and a career development obstacle for ethnic minorities. State officials know the value of certificates, but the official reason is that these countries where immigrants came from don't have bilateral agreements over certificates and moreover verification is accepted for those who have legitimate documents.

Contributing to this idea, Kriesi and Sander, (2024) contended that a baccalaureate; upper-secondary vocational education and training diploma Sander and Kriesi (2021) offer occupation-specific theoretical and practical knowledge of specialization. On their part, universities should expand their curricula to practical, skills-based learning within academic courses including teaching, communication, teamwork, problem-solving, (Otermans, 2025).

4.1.4. Who are affected by wages disparities?

Gorshkov, (2024) showed that people from OECD countries and females are significantly affected by low wages which produces wage disparities compared to autochthonous workers. Though some start earning low wages in low-paying firms but over time they tend to diminish a bit. He claimed that upon entering the host country's labour market, immigrants face significant disparities in earnings, hourly wages, employment, and full-time employment compared to other workers" (Gorshkov, 2024, p. 2)

Closed organisations with pyramid power and bureaucracy are perceived as traditional organisations, but organisations with open system reflect the modern-day organisation, (Sridhar, 2017). Both organisations utilise cheap labour and constantly align with its environment, agency supplier and customers to achieve management objectives. However, whether closed or open organisation the system theory aligns with payment of better wages to employees because it discountenances the stiffness associated with traditional labour market.

4.1.5. How can Universities Improve Employability Skills into Their Curricula?

Education has implication to labour market and wages and correlated with higher wages for work-ready graduates who possess strong transferable and soft skills, such as communication, problem-solving, and adaptability (Otermans, 2025). Education have impact on wage growth therefore universities and institutions of high learning have the responsibility to improve employability skills. Some high institution graduates may find the need to invest in additional training, which could affect wage growth just like lawyers, accountants, psychologists and economists. Some after graduation may also their graduation form industry-specific training or early career may be better positioned to secure specialized roles with competitive wages.

However, for the universities can improve the integration of employability skills into their curricula by embedding employability skills into academic modules. They should integrate practical, skills-based learning within academic courses including teaching, communication, teamwork, problem-solving, and time management alongside technical knowledge. They should promote placements and work-integrated learning and establish more internships.

However, the author stated that there are several key skills that are essential for employment which include communication skills, teamwork and collaboration and critical thinking which helps one to analyse and make decisions (Otermans, 2025).

4.1.6. Overview of Policies on labour market wages

Firm wage policies refers where the organisation leaders make strategies to pay lower wages to recently arrived immigrants due to barriers of limited job mobility, lack of local knowledge, (Longhi, 2020, p. 890). This could be the profit-maximization strategy, as firms exploit the lower labour supply elasticity of new immigrants known as monopsonistic discrimination, (Gorshkov, 2024). This is why this report reemphasised the importance of high education for labour market upliftment.

4.2. Overview of other Key Factors of Integration and Systems Thinking

Delving into the high relevance of Systems Thinking to labour market wages and minority integration Kimsey, et al. (2025) declared that it reveals the understanding of systemic discrimination because the systems perspectives conceptualize race discrimination as a dynamic, multilevel system, that affect disparities in wages and minority integration. This is shaped by interdependent factors across domains such as education, housing, employment, and healthcare. This coincides with Migrant Integration Policy Index MIPEX, (2023) seven policy indicators (labour market mobility, family reunion, education, political participation, long-term residence, access to nationality and anti-discrimination). This is the criteria for full commitment to integration.

Those who wear the shoe know where it pinches, therefore Systems perspectives can identify feedback loops that perpetuate inequalities because lower wages for minorities can lead to incapacity to pay for tooth decay, house rent, council tax or energy bills. There would be less computer knowledge or career advancement opportunities which systems thinking reveals. While historical legacies of discrimination and systemic barriers continue to impact on wage disparities and integration efforts, minorities would continue to operate on low skills, low education while being tormented by restrictive policies and social structures which breed institutional racism.

Therefore, Systems Thinking has provided a comprehensive framework for analysing and addressing the complex, interconnected factors that influence labour market wages and minority integration to help policy makers leave their reductionist tendencies and embrace

social justice, inclusion and assimilation tenets. After this juncture, the report presents underneath the discussion, and the conclusion will follow to be finalised by the references.

4.3. Discussion

The study explored those who are affected by low wages or remunerations and how the impact affected them and the consequences thereof for the integration of ethnic minorities. When this study is subjected to labour theoretical foundations, it revealed that neoclassical economic theories of labour markets are deployed because it follows the same presumption that product prices are determined by quantities exchanged, therefore labour markets determine wage rates based on the availability of people who can do the job. If it involves plumbers, loading cement, garri, cereals on a trailer or picking items in Argos distribution centres, DHL, Amazon fulfilment centres warehouse the foundation of this theory subsists. In these companies few are chosen for high wages, while some are not. But it still remains that the labour market believes that “too many buyers for a limited number of goods forces prices up and a surplus of goods beyond what buyers want forces prices down” (Armstrong, 2007, p. 108).

There is evidence of firms who pays low wages which causes wage gaps (Arellano-Bover and San 2023), which does not enhance integration. The literature which asked: “Do you play Hockey?” Japaridze and Kaplan, (2025) played up the sentiment of discrimination but it does not end there because this study has the opinion that the installation of technology in some companies will push some low wage earner away from employment. However, hockey provides for multicultural interaction where pluralism or diversity or integration or assimilation occurs.

Longhi, (2020, p. 881) is apt to note that ethnic minorities unemployment differentials in the UK affects men and women. It became evident that the major culprit of labour market low wages, unemployment and disparity include education, certificate disregard persistent pay gaps, and differences in human capital contribute (Hall, et al. 2024; Longhi, 2020; Zwysen, and Longhi, 2018; Longhi, 2020; Rathelot 2014). The submission of this author is discountenanced because when one considers the institutional legal requirements for accepting a person into the country, e.g. demand for one year work period and six months tax and salary slips, it becomes clear that the obstacles to integration of ethnic minorities are homogeneous.

The major areas of concern for the future are lower-paying companies account for hourly wage gap and are very influential (Gorshkov, 2024). The minimum wage and modalities for

promotion of workers are controlled by them without adequate supervision and no sanction. They have maintained a static wage regime therefore, the conclusion will summarise this report focusing on the human capital, stringent measures, and new skills necessary to avert future deterioration. This is predicated on the fact that, education at the university level can be a panacea for this disequilibrium in the labour market

5. Conclusion

The focus on labour market wages for integration of ethnic minorities opened a new understanding to the limitations of existing policies and practices in many organisations. Having justified employment, wages, sustainability, and professional support, will in the long run facilitate career progression.

This conclusion accord responsibility of relevant government authorities to mandate and supervise companies because companies' roles in wage payment and their effect on integration and promotion of economic independence is inevitable. The assumption that the labour market is perfectly competitive such that each employee takes the market wage as given and so is an employer are overstretched because the ethnic minority has no bargaining power. Therefore, the practical side should be applied so that those who come with certificates and have stayed in a job for a long time can have a new befitting remuneration.

This report concludes that wage inequalities and hard obstacles are present and this may link to perception that ethnic minorities are taking away jobs to exploit the El Dorado. The disparities in employment, wages, poverty, and wealth have only led to complete barriers and discrimination in wealth distribution and stumbling block to integration, and assimilation.

The study concludes that ethnic minorities are not uniform, therefore their level of development and characteristics are divergent, but it must be noted that ethnic minorities of all strata are concentrated in one neighbourhood and geographic area which is antithetical to infusing them into social and economic integration and which exacerbates inequalities. To tackle these institutional and economic barriers headlong, this report calls for nuanced laws against discrimination, occupational segregation, and wage hedging. The limitation of this report is the inability to widen the scope of impact on ethnic minorities provoked by low wage and employment inequalities. Therefore, the impact on wages, labour market, wealth and wellbeing of ethnic minorities should receive more advanced studies.

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