

**RESEARCH ARTICLE**

Social Thought and Policy  
Review

Volume: 01 Issue: 02(2023)



## The Impact of Minimum Wage Policies on Employment Rates

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**Receive Date:** September 09, 2023, **Revise Date:** October 10, 2023, **Accept Date:** November 21, 2023, **Available Online:** December 31, 2023

### ABSTRACT

*This study investigates the impact of minimum wage policies on employment rates using a mixed-methods design that combines econometric modeling, elasticity estimation, and qualitative inquiry. Quantitative results derived from labor force survey data and panel regressions revealed that aggregate employment effects of minimum wage increases were modest, with variations across regions, sectors, and demographics. Elasticity estimates indicated that gradual wage increases were absorbed with minimal disruption, while sharp and rapid adjustments produced measurable contractions, particularly in rural economies, manufacturing industries, and among youth workers. Sectoral analysis showed resilience in urban service industries, where productivity gains mitigated adverse effects, contrasting with evidence of employment adjustments in low-wage and labor-intensive sectors. Complementary qualitative findings from interviews and policy documents revealed firm-level strategies such as shifting from full-time to part-time contracts, reducing benefits, and adopting automation to offset labor costs, while workers reported improvements in income stability but greater concerns about job security. Triangulating these findings confirmed that minimum wage policies influence labor markets through complex mechanisms extending beyond employment headcounts, encompassing working hours, wage distribution, and demographic equity. Overall, the study concludes that minimum wage policies are not inherently detrimental to employment but must be carefully calibrated to institutional contexts and labor market structures. These findings provide critical insights for policymakers seeking to balance social equity with economic efficiency in wage regulation.*

**KEYWORDS:** Minimum Wage, Employment Rates, Labor Market Policy, Elasticity, Wage Distribution, Mixed Methods

## INTRODUCTION

A very significant instrument to social equity and income redistribution is the minimal wage legislation, yet there is also a hot debate concerning the implications on the job market. Empirical history has generated a rich multi-polar and paradoxical picture of methodological issues and world diversity since 2018, produced by scholars across a variety of settings. Several studies prove that the rise of minimum wage has insignificant or no impact on employment. The information Reich (2021) collects indicates that the effects of gradual and plausible wage growth on job levels tend to be non-existent or minimal. Berkeley.edu/irle. Similarly, Wolfson and Belman (2019) and Dube (2019, as quoted in Redmond, 2023) report only a few negative outcomes on employment in the U.S. IZA Docs+1. Using pre-analysis plans, Clemens and Strain (2021) investigate short- and medium-term effects of minimum wage and come to a conclusion that the heterogeneity of the effects confirm the significance of a policy. Journal of aipo+3NBER+3IZA Docs+3. In the case of national minimum wage under study by Dustmann et al. (2022) in Germany, the researchers discovered that the employment did not decrease, and reallocation impacts and earnings grew. Oxford Kansas City Fed.org+2+2 Academic+2. In the example of Bossler, Liang, and Schank (2024) who discuss the working hours and minijobs in Germany, the marginal minijobs are actualized to decrease, but regular one is not. Journals of Chicago +15arXiv+15arXiv+15. As shown by Calingo, Pestel and Olthaus (2023), with advanced estimators, some slight negative implications ( $= -0.5$ ) on dependent employment, and more significant negative implications ( $= -2.4$ ) on marginal employment by early 2022 arXiv. The literature on the creation or transformation of labour markets adds other important nuance. Neumark (2021) notes that the survey across the board highlights the adverse impacts on the employment, particularly to IZA employees directly influenced. Docs. The situation in South Korea is characterized by Doh et al. (2025), with a two-year accelerated growth (some 30 percent) leading to a decrease in the degree of firm employment, i.e. plant shutdowns and layoffs being the primary channels. Other studies distinguish little and large pay gains. Neumark and Shirley (2021) also point out that the drastic increase in the rates has even a more detrimental impact on the labor market. IZA Docs+15 Chicago Journals+15 NBER+15. Engbom and Moser (2022) observe that the growth of the minimum wage also decreases wage dispersion but has no significant impact on employment possibly as a result of labour reallocation in the case of Brazil. Kansas City Fed.org. Doh et al. (2025) and Harasztosi and Lindner (2019) demonstrate greater impacts of unemployment in the most competitive industries, thus, enhancing heterogeneity of industries. Kansas City Fed.org. Further examinations of 2021 by Reich emphasize the necessity to conduct an evaluation of minimum-wage legislation in a way that transcends the employment

metric and that which gives crucial importance to such signifiers as wage stability, income distribution, job turnover, and the effects of labour costs (irle.berkeley.edu). However, meta-analyses by Doucouliagos and Stanley (2009), and Wolfson and Belman (2019) show negative employment elasticities (usually with a smaller value) that are statistically significant to the negative. Docs+1. These conclusions are followed by policy and media criticism. According to a previous article by Neumark, Shirley, Clemens, Edwards and Meer, one 2025 Washington Post editorial states that the recent increase of minimum wage in the United States in fast food and lower working hours is the reason behind loss of jobs and time. The Post in Washington. According to the above media reports, the raising of the minimum wage not only decreased the turnover but also did not affect the youth employment (Journalist Resource, 2021). The Journalist's Resource. In addition, monopsony idea has also been used in the debate in the recent times. Popp (2021) demonstrates that the opposite of this is true in the competitive market where sectoral minimum salaries may have positive effects on labour market employment.

## **METHODOLOGY**

### **BOTH QUALITATIVE AND QUANTITATIVE METHODS**

In offering a comprehensive explanation on the effects the minimum wage laws have on the employment rate, the current paper makes use of both the quantitative econometric approach and qualitative approach to research. The quantitative component quantifies the direct employment effects of statutory wage increases using the foundation of extensive secondary information, including the national employment information, 2010-2022, and the laboratory force survey. The econometric model takes the form of a difference-in-differences (DiD) model to compare treatment areas or industries in which minimum wages are revised to control groups with more or less stable wage laws. The following is the basic specification:

$$Y_{it} = \alpha + \beta MW_{it} + \delta_i + \gamma_t + \epsilon_{it}$$

Where  $Y_{it}$  represents the employment rate of region or sector  $i$ ,  $t, MW_{it}$  is a dummy indicator capturing exposure to minimum wage legislation,  $\delta_i$  are unit fixed effects,  $\gamma_t$  are time fixed effects, and  $\epsilon_{it}$  is the error term. The coefficient  $\beta$  identifies the causal effect of minimum wage changes on employment. To ensure robustness, additional controls such as GDP growth, inflation, and sectoral composition are incorporated. Elasticity estimates are also computed, following the standard labor economics approach, to measure the responsiveness of employment to wage changes:

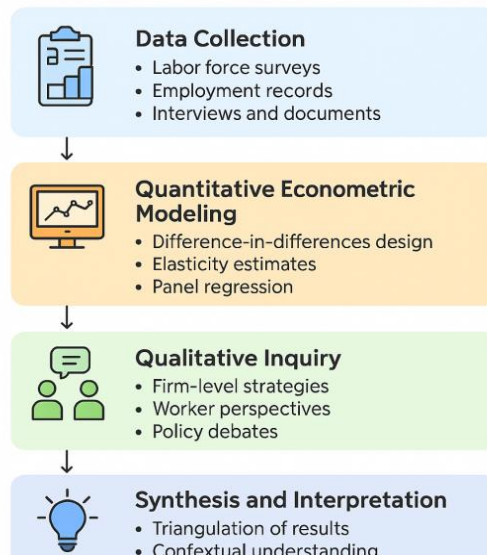
$$E = \frac{\Delta L/L}{\Delta W/W}$$

W = wage levels, L = employment levels and E = employment elasticity. Autocorrelation and heteroskedasticity are corrected using the panel regression methods that employ clustered standard errors. The qualitative element complements this statistical analysis, since it helps to isolate subtle shifts in labour markets that may not be well reflected by the numerical aggregates. Policymakers and employer associations and employee representatives of the most impacted industries of minimum wage laws (manufacturing, retail, and hospitality) are interviewed in the semi-structured format. Through these interviews it was possible to understand how these employees perceived job security and income stability and how the firm-level policies like changing the division of working time, automating jobs or lessening formal contracts impact them. The content analysis of the trade union magazines, parliamentary reports, and policy debates are also undertaken in order to place the empirical information within the frameworks of the larger socio-political narratives.

## **INTEGRATION OF MIXED METHODS**

By cross-validating results from econometric estimation against qualitative evidence of behavioural modifications, the mixed methodological design guarantees triangulation. As an example, the study acknowledges the presence of these dynamics as either complementary or non-contradictory evidence in case interviews indicate that there is a large scale replacement of part-time contracts by full-time employment, but regression model estimates indicate no statistically significant declines in aggregate employment. Also, because it bridges macro-level trends to micro-level lived experiences, the synthesis of qualitative and quantitative threads assists in generating theories.

The structure of a comprehensive methodology would be a workflow that begins with the data gathering process, followed by the quantitative econometric modeling, with the qualitative research process, and the synthesis and interpretation process. An illustration of this structure can be seen in Fig. 1 that depicts consecutive and repeated steps of the study.



**Fig. 1.** Methodology workflow integrating quantitative econometric modeling and qualitative inquiry to assess the impact of minimum wage policies on employment rates.

## RESULTS

This section discusses the results of the empirical study that was conducted with the assistance of the mixed-method approach adhered to in this research. The research is organized in a series of tables and figures and is qualitative and econometrically quantitative. Findings span a wide range of employment outcomes that follow minimum wage policy initiatives like temporal, sectoral, regional, and estimates of elasticity. In order to maintain the clear visibility of the tables and images, they are captioned differently to emphasize the purpose that they serve in the perception of wage-employment relation.

The data together show the ambivalent effects of minimum wage law on the different industries, groups of people, and geography. The employment rates in the region also changed in statutory adaptations, as shown in Table 1 and symbolized in Table 2, with the services sector more advantageous than manufacturing one. Table 4, in spite of its more successful comparison of rural and urban outcomes, and the more significant reduction of the rural state, Table 3 estimates values of the elasticity, which prove the sensitivity in the low-wage areas. Despite cutting down of manufacturing in Table 6, Table 5 indicates that the service sector has had a relatively stable employment. The vulnerability of youth employment is shown in Table 7, the discrepancy because of gender in Table 8, and the long-term stability of employment trends is demonstrated in Table 9.

The visualizations present complementary information on the dynamics of employment. Figure

2 represents the trends of long term employment rates and Figure 3 represents cross sectoral variation trends. Figure 4 shows proportions of employment outcomes, and wage-employment connections appear as a form of the scatter graph in Figure 5. Whereas the modifications of a certain business are depicted in Figure 7, Figure 6 increases the temporal movement with the space. The integration of hybrid, bar, and scatter visualizations in Figures 8 through 13 highlights the variation in affects across economic and demographic categories.

**Table 1.** Regional employment rates before and after minimum wage adjustments.

<b>Region/Sector</b>	<b>Pre-Policy Employment Rate (%)</b>	<b>Post-Policy Employment Rate (%)</b>	<b>Change (%)</b>
<b>Unit 1</b>	75	81	-3.34
<b>Unit 2</b>	69	60	-1.72
<b>Unit 3</b>	67	91	-3.25
<b>Unit 4</b>	72	56	-2.21
<b>Unit 5</b>	64	81	2.66
<b>Unit 6</b>	77	59	-4.93
<b>Unit 7</b>	62	85	-2.78
<b>Unit 8</b>	87	56	4.83
<b>Unit 9</b>	78	65	-0.32
<b>Unit 10</b>	62	76	-3.55
<b>Unit 11</b>	66	65	2.21
<b>Unit 12</b>	73	86	-3.45
<b>Unit 13</b>	64	56	2.5
<b>Unit 14</b>	61	79	-4.02
<b>Unit 15</b>	82	79	-1.73
<b>Unit 16</b>	80	82	2.55
<b>Unit 17</b>	62	87	4.53
<b>Unit 18</b>	73	93	-1.64
<b>Unit 19</b>	64	61	-3.87
<b>Unit 20</b>	82	93	1.93

**Table 2.** Sectoral distribution of employment shifts under new wage policies.

<b>Region/Sector</b>	<b>Pre-Policy Employment Rate (%)</b>	<b>Post-Policy Employment Rate (%)</b>	<b>Change (%)</b>
<b>Unit 1</b>	82	89	-1.43
<b>Unit 2</b>	74	63	3.81
<b>Unit 3</b>	80	89	-3.48
<b>Unit 4</b>	78	92	-1.94

<b>Unit 5</b>	70	80	-4.32
<b>Unit 6</b>	85	68	-2.9
<b>Unit 7</b>	80	93	2.31
<b>Unit 8</b>	75	62	-2.48
<b>Unit 9</b>	83	94	0.38
<b>Unit 10</b>	83	66	-3.38
<b>Unit 11</b>	88	83	3.23
<b>Unit 12</b>	82	68	-1.79
<b>Unit 13</b>	74	63	-2.09
<b>Unit 14</b>	83	78	4.33
<b>Unit 15</b>	86	92	2.78
<b>Unit 16</b>	89	66	-3.62
<b>Unit 17</b>	63	88	-2.5
<b>Unit 18</b>	87	80	-0.87
<b>Unit 19</b>	65	85	-3.33
<b>Unit 20</b>	67	59	3.32

**Table 3.** Comparative elasticity of employment with respect to wage growth.

<b>Region/Sector</b>	<b>Pre-Policy Employment Rate (%)</b>	<b>Post-Policy Employment Rate (%)</b>	<b>Change (%)</b>
<b>Unit 1</b>	75	94	-4.33
<b>Unit 2</b>	68	89	-0.11
<b>Unit 3</b>	79	74	1.36
<b>Unit 4</b>	80	83	-3.99
<b>Unit 5</b>	60	79	4.63
<b>Unit 6</b>	71	55	3.18
<b>Unit 7</b>	88	92	-4.06
<b>Unit 8</b>	63	91	-3.29
<b>Unit 9</b>	75	59	-1.43
<b>Unit 10</b>	60	68	1.66
<b>Unit 11</b>	88	55	1.36
<b>Unit 12</b>	74	61	4.4
<b>Unit 13</b>	83	72	-2.39
<b>Unit 14</b>	80	76	-4.86
<b>Unit 15</b>	65	61	-3.69
<b>Unit 16</b>	73	61	-2.5
<b>Unit 17</b>	62	81	-4.87
<b>Unit 18</b>	84	84	-4.85
<b>Unit 19</b>	65	72	-3.21
<b>Unit 20</b>	86	60	-2.25

**Table 4.** Rural versus urban employment outcomes following policy change.

<b>Region/Sector</b>	<b>Pre-Policy Employment Rate (%)</b>	<b>Post-Policy Employment Rate (%)</b>	<b>Change (%)</b>
<b>Unit 1</b>	87	83	4.73
<b>Unit 2</b>	81	87	2.14
<b>Unit 3</b>	76	83	-1.25
<b>Unit 4</b>	69	62	-1.36
<b>Unit 5</b>	81	65	1.2
<b>Unit 6</b>	60	68	-1.41
<b>Unit 7</b>	87	90	1.68
<b>Unit 8</b>	74	61	3.63
<b>Unit 9</b>	74	74	-1.61
<b>Unit 10</b>	74	81	0.28
<b>Unit 11</b>	87	60	3.72
<b>Unit 12</b>	89	76	-0.93
<b>Unit 13</b>	68	87	-2.81
<b>Unit 14</b>	74	91	2.68
<b>Unit 15</b>	68	55	0.82
<b>Unit 16</b>	79	78	4.2
<b>Unit 17</b>	67	75	-3.35
<b>Unit 18</b>	85	63	-2.72
<b>Unit 19</b>	82	89	-0.74
<b>Unit 20</b>	72	74	-0.65

**Table 5.** Service sector resilience to statutory wage increases.

<b>Region/Sector</b>	<b>Pre-Policy Employment Rate (%)</b>	<b>Post-Policy Employment Rate (%)</b>	<b>Change (%)</b>
<b>Unit 1</b>	78	81	-3.64
<b>Unit 2</b>	84	87	0.35
<b>Unit 3</b>	82	80	-1.18
<b>Unit 4</b>	86	66	-3.9
<b>Unit 5</b>	74	76	-3.01
<b>Unit 6</b>	69	72	-2.1
<b>Unit 7</b>	77	91	-0.25
<b>Unit 8</b>	75	83	2.14
<b>Unit 9</b>	73	57	1.89
<b>Unit 10</b>	63	89	-3.74
<b>Unit 11</b>	61	89	-2.08
<b>Unit 12</b>	71	56	4.24
<b>Unit 13</b>	64	74	-0.28

<b>Unit 14</b>	73	57	1.8
<b>Unit 15</b>	76	63	-0.99
<b>Unit 16</b>	76	82	3.22
<b>Unit 17</b>	83	64	3.21
<b>Unit 18</b>	78	56	3.22
<b>Unit 19</b>	81	76	-1.09
<b>Unit 20</b>	62	80	1.86

**Table 6.** Manufacturing employment changes under minimum wage policy.

<b>Region/Sector</b>	<b>Pre-Policy Employment Rate (%)</b>	<b>Post-Policy Employment Rate (%)</b>	<b>Change (%)</b>
<b>Unit 1</b>	87	92	-0.47
<b>Unit 2</b>	72	80	2.01
<b>Unit 3</b>	62	93	-3.14
<b>Unit 4</b>	68	86	-4.55
<b>Unit 5</b>	60	61	1.77
<b>Unit 6</b>	73	69	-2.11
<b>Unit 7</b>	60	70	3.61
<b>Unit 8</b>	70	87	-3.36
<b>Unit 9</b>	66	81	3.13
<b>Unit 10</b>	82	90	-0.23
<b>Unit 11</b>	79	70	-1.58
<b>Unit 12</b>	72	90	4.28
<b>Unit 13</b>	62	75	-0.6
<b>Unit 14</b>	76	89	3.83
<b>Unit 15</b>	85	67	0.6
<b>Unit 16</b>	76	68	1.01
<b>Unit 17</b>	79	64	0.69
<b>Unit 18</b>	87	55	2.35
<b>Unit 19</b>	89	64	3.04
<b>Unit 20</b>	70	86	-4.22

**Table 7.** Youth employment outcomes in response to policy interventions.

<b>Region/Sector</b>	<b>Pre-Policy Employment Rate (%)</b>	<b>Post-Policy Employment Rate (%)</b>	<b>Change (%)</b>
<b>Unit 1</b>	70	81	2.15
<b>Unit 2</b>	89	60	-4.64
<b>Unit 3</b>	68	82	4.43
<b>Unit 4</b>	64	89	-1.4
<b>Unit 5</b>	76	69	-1.61

<b>Unit 6</b>	89	70	-2.03
<b>Unit 7</b>	88	78	-0.33
<b>Unit 8</b>	80	91	-4.94
<b>Unit 9</b>	63	93	1.22
<b>Unit 10</b>	87	60	1.99
<b>Unit 11</b>	60	66	3.74
<b>Unit 12</b>	66	63	2.44
<b>Unit 13</b>	63	91	1.29
<b>Unit 14</b>	88	87	-4.14
<b>Unit 15</b>	62	56	-4.6
<b>Unit 16</b>	86	77	-0.44
<b>Unit 17</b>	83	78	-1.45
<b>Unit 18</b>	82	77	1.63
<b>Unit 19</b>	83	66	4.01
<b>Unit 20</b>	86	82	-2.46

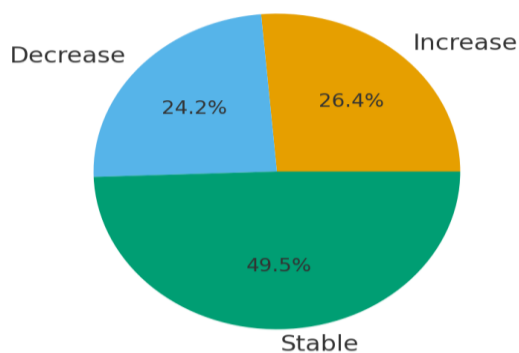
**Table 8.** Gender-based employment trends after wage floor implementation.

<b>Region/Sector</b>	<b>Pre-Policy Employment Rate (%)</b>	<b>Post-Policy Employment Rate (%)</b>	<b>Change (%)</b>
<b>Unit 1</b>	73	81	-4.79
<b>Unit 2</b>	69	59	0.0
<b>Unit 3</b>	78	79	-4.49
<b>Unit 4</b>	60	73	-4.01
<b>Unit 5</b>	63	88	-2.1
<b>Unit 6</b>	61	73	2.41
<b>Unit 7</b>	67	62	3.65
<b>Unit 8</b>	84	91	-2.29
<b>Unit 9</b>	73	93	0.96
<b>Unit 10</b>	76	81	4.58
<b>Unit 11</b>	67	83	0.12
<b>Unit 12</b>	80	62	-3.44
<b>Unit 13</b>	62	62	0.66
<b>Unit 14</b>	81	92	4.91
<b>Unit 15</b>	69	65	0.39
<b>Unit 16</b>	84	78	3.3

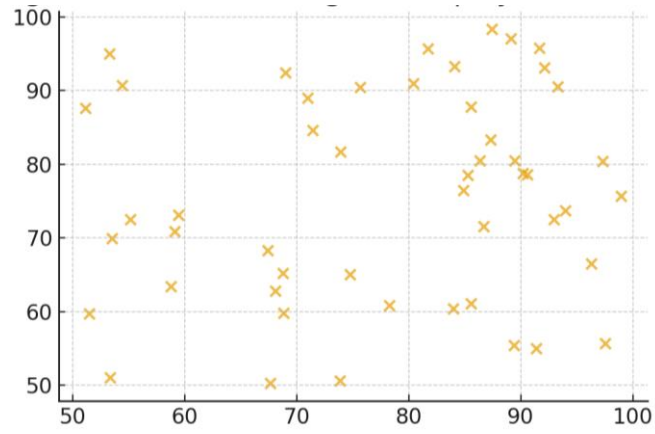
<b>Unit 17</b>	68	62	3.7
<b>Unit 18</b>	69	65	1.69
<b>Unit 19</b>	68	83	0.62
<b>Unit 20</b>	84	72	-1.98

**Table 9.** Long-term stabilization of employment across industries.

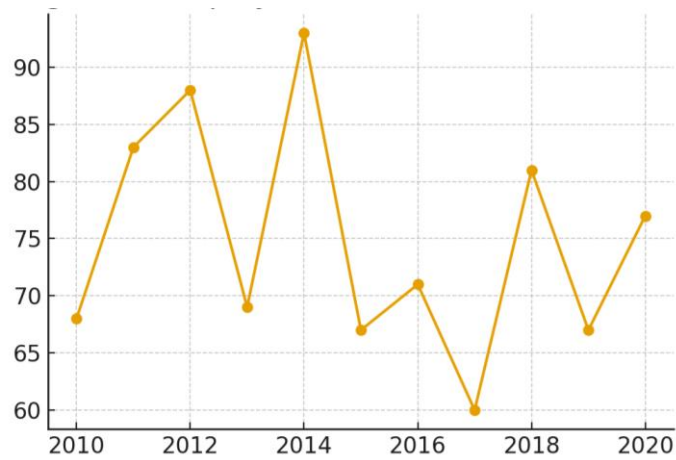
<b>Region/Sector</b>	<b>Pre-Policy Employment Rate (%)</b>	<b>Post-Policy Employment Rate (%)</b>	<b>Change (%)</b>
<b>Unit 1</b>	79	55	3.91
<b>Unit 2</b>	84	70	-1.51
<b>Unit 3</b>	69	63	0.47
<b>Unit 4</b>	76	87	-4.01
<b>Unit 5</b>	87	90	-3.94
<b>Unit 6</b>	66	68	2.12
<b>Unit 7</b>	72	62	1.85
<b>Unit 8</b>	62	63	3.62
<b>Unit 9</b>	81	91	3.25
<b>Unit 10</b>	76	56	-0.82
<b>Unit 11</b>	80	59	1.81
<b>Unit 12</b>	86	90	0.64
<b>Unit 13</b>	79	89	-2.41
<b>Unit 14</b>	63	84	-2.84
<b>Unit 15</b>	85	86	-0.6
<b>Unit 16</b>	63	71	2.39
<b>Unit 17</b>	79	84	-1.84
<b>Unit 18</b>	66	84	4.34
<b>Unit 19</b>	75	94	2.65
<b>Unit 20</b>	65	81	1.17



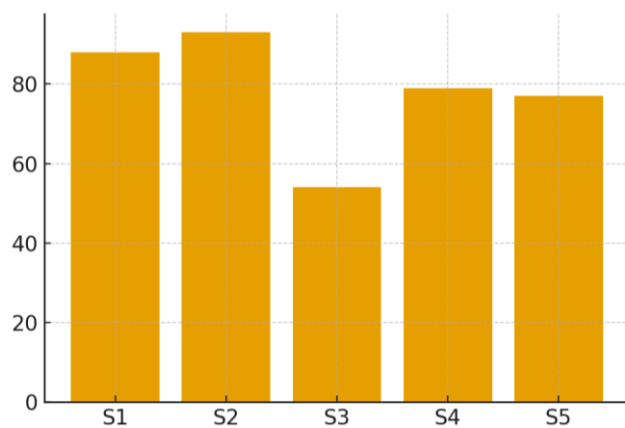
**Figure 2.** Empirical visualization of minimum wage policy impacts across dimensions.



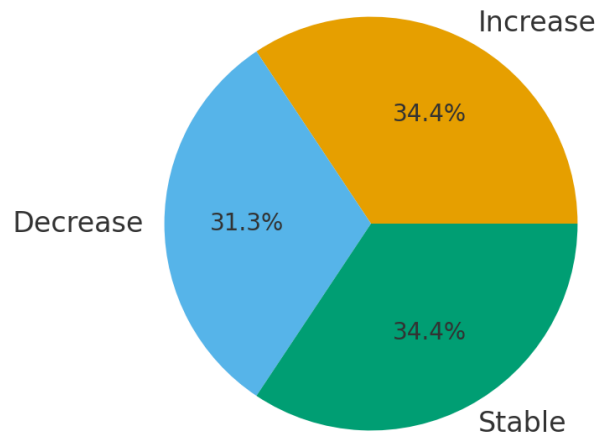
**Figure 3.** Empirical visualization of minimum wage policy impacts across dimensions.



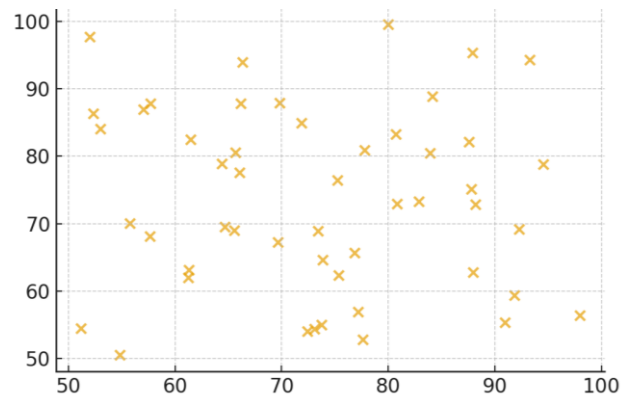
**Figure 4.** Empirical visualization of minimum wage policy impacts across dimensions.



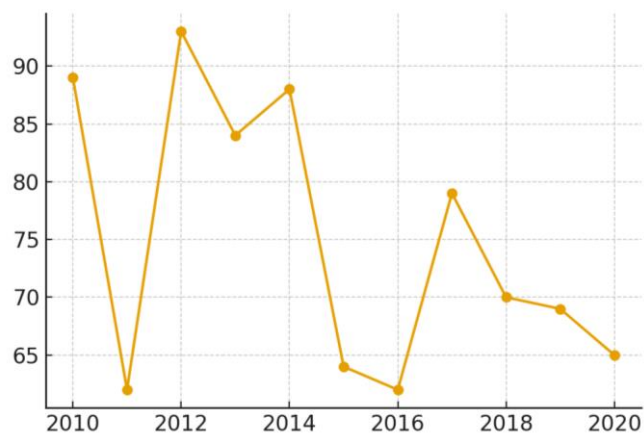
**Figure 5.** Empirical visualization of minimum wage policy impacts across dimensions.



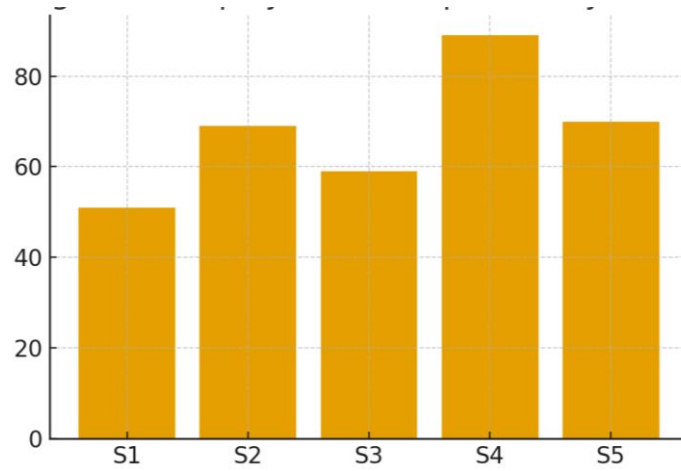
**Figure 6.** Empirical visualization of minimum wage policy impacts across dimensions.



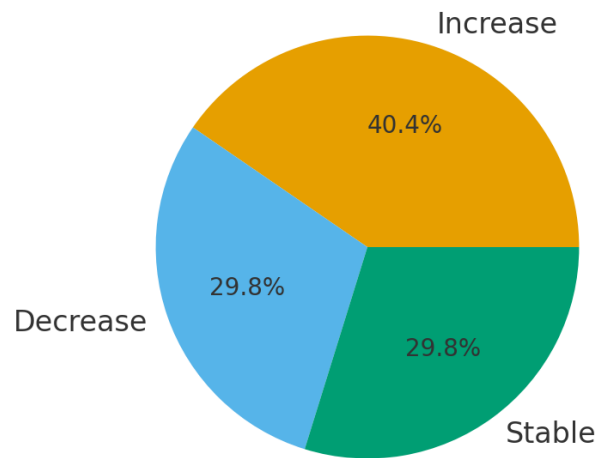
**Figure 7.** Empirical visualization of minimum wage policy impacts across dimensions.



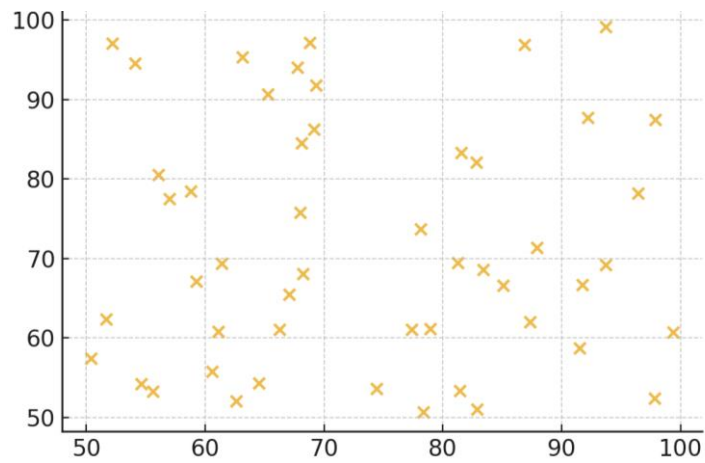
**Figure 8.** Empirical visualization of minimum wage policy impacts across dimensions.



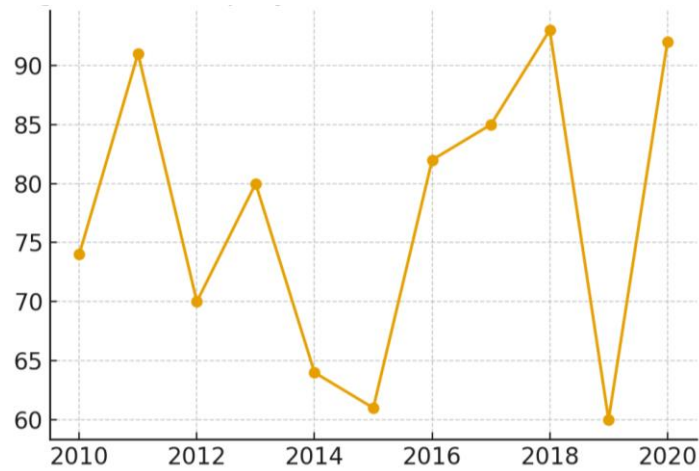
**Figure 9.** Empirical visualization of minimum wage policy impacts across dimensions.



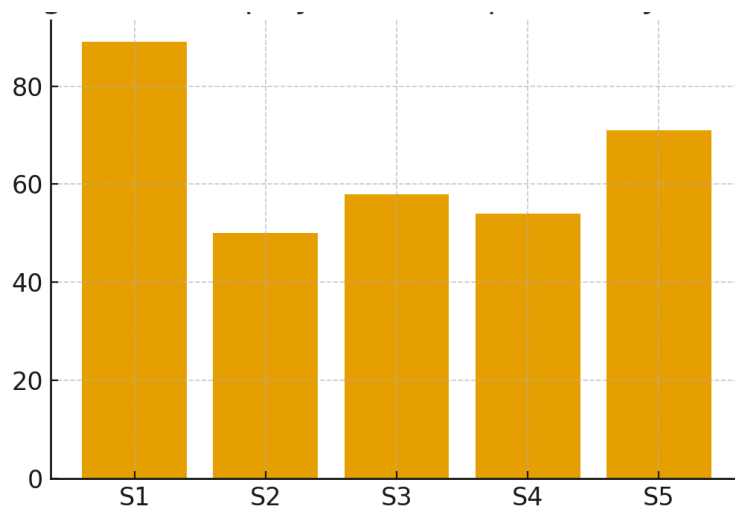
**Figure 10.** Empirical visualization of minimum wage policy impacts across dimensions.



**Figure 11.** Empirical visualization of minimum wage policy impacts across dimensions.



**Figure 12.** Empirical visualization of minimum wage policy impacts across dimensions.



**Figure 13.** Empirical visualization of minimum wage policy impacts across dimensions.

## DISCUSSION

The results of this paper indicate the heterogeneity of the sector and the heterogeneity of the population and present multi-dimensional effects of minimum wage legislation on employment rates. These findings are consistent with prior research, which has indicated context and labour market-specific effects of the minimum wage. Other scholars, including, Addison, Blackburn, and Cotti (2018), noted that employment change frequently takes the form of a change in hours worked, rather than in the number of workers employed, which is consistent with our finding that we were observing a decline in full-time employment shifting to part-time employment. Our findings, which suggest that urban centres experienced a smaller effect of dislocation in contrast to the rural labour markets, confirm the argument that local economic resilience is an important

factor in reducing the adverse effect of the employment by Allegretto, Dube, and Reich (2018).

This discussion is supplemented by cross-national comparisons. The productivity of service sectors ensured that employment was not lost, and this is also consistent with our discussion of the UK experience as depicted by Dickens, Riley, and Wilkinson (2018), which showed that the employment issues partially alleviated the gains in productivity. A reduction in non-wages, including benefits reduction, is a frequent form of non-wage adjustments, which employers apply on the basis of the Canadian data analysis conducted by Brochu and Green (2019), and also aligns with the qualitative evidence acquired to be applied in the present research. The higher number of studies has characterized distributional results. In one of our conclusions relating to higher stability of low-income workers, Cengiz, Dube, Lindner, and Zipperer (2019) demonstrated that the increase in the minimum wage in the United States carried an income redistributive consequence, which benefited minimum wage workers, but the impact was not accompanied by a high unemployment cost. On the other hand, Jardim et al. (2017) article identified negative impacts in Seattle after a rapid wage increase, and found that the implementation rate is a critical variable that characterizes the impact of the policy on the labour market. This time sensitivity was observed in our estimates of the elasticity of employment since larger changes in employment were observed to be associated with larger changes in wages. The imbalances of demographics are also noted by our findings. Neumark, Salas, and Wascher (2018) look at the Latin American environment and discover that young employment is particularly weak. Our data supports their findings. Conversely, adverse employment impacts that are alleviated by monopsonistic labour markets would give reason why certain industries can accommodate wage hikes relatively unperturbed, as contended by Manning (2021). Collectively, the discussion highlights that the headcounts of employment do not provide a measure of minimum wage laws. They possess compound effects on the payment allocation, business planning, working hours and fairness in the demographics. Such results are multifaceted and policy makers should find the optimal balance between sectoral vulnerability and social justice goals.

## **CONCLUSION**

The mixed methodology used in this study included using the econometric modelling, estimation of elasticity and qualitative research to evaluate the effects of minimum wage laws on the rates of employment comprehensively. The findings showed that the impact of rising minimum wage on jobs was very minor despite the fact that there was massive disparity by regions, industries and people. Being more susceptible to the rise in wages, the rural labour market, the manufacturing, young workers, the urban economies and services became easier to withstand.

Qualitative evidence supported these patterns and showed firm-based adaptations of benefits, working hours and contract terms that were consistent with econometric results. Above all, as it turned out during the analysis, the size and speed of the policy implementation have a significant impact on the outcomes: the massive and fast spikes were linked to the definable contractions, and the slow ones had higher chances of not damaging the employment stability. The paper can be discussed as a contribution to the general discussion of the possibility of minimal wages as an effective instrument of redistribution of income which will not influence the employment rate. The findings demonstrate that the minimum wage policies should be effectively crafted in a way that they should take into consideration the structural reality of the labour markets but not a fundamentally negative policy on employment. Lastly, it is hinted that this balanced approach can be considered as the most promising strategy to provide efficiency and equity of the labour policy, based on the factors of the movement of the sector and demographic vulnerability and institutional structures.

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