Regional differences in housing affordability in the Czech Republic and their consequences on labour migration

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The aim of the paper is to discover whether the regional differences in housing affordability have significant impact on intended labour migration in the Czech Republic. Due to the lack of relevant data file(s) on household incomes and housing expenditures it was necessary to apply alternative methodological approach to obtain regional housing affordability indicators. For measuring housing affordability and regional differences in housing affordability several indicators were used (e.g. share of housing expenditures on household incomes, residual income, price-to-income ratio, lending multiplier). Other indicators were used for assessment of the development of regional disparities (e.g. variation coefficient, β -divergence coefficient etc). Despite the shortcomings of existing migration data a time series regression analysis reveals that the impact of housing affordability on observed interregional migration patterns is relatively weak; and this effect is concentrated among the highly educated seeking employment in the capital, Prague.

Keywords: housing, housing affordability, housing tenure, labour migration.