Several studies have shown that prices differ across regions and affect standards of living substantially. This thesis investigates whether they cause the differential impact of minimum wage on employment and hours of work across the European Union NUTS 2 regions. Based on the existing regional price estimates of 7 European Union countries and publicly available aggregate regional data, estimates of regional price levels for another 11 European Union countries with minimum wage are obtained. The method that was used for this purpose (multiple imputation) enables to use the resulting estimates as an explanatory variable in another regression as it takes into consideration using imputed instead of observed values by correcting the variances of parameter coefficients. The impacts of minimum wage are investigated for 3 groups of people who are at risk of being affected by its increase - young adults (15-19 years), low-educated individuals and low-skilled individuals. The results indicate that the minimum wage has a negative impact on employment that is higher in regions with higher price levels. The negative effect of minimum wage on hours of work was not confirmed.