## **Abstract**

This thesis examines the effects of an increase of minimum wage level on unemployment, employment, disposable income and risk of poverty. We contribute to the existing literature by directly comparing results resulting from two similar datasets, one working with national, one with regional data. We use different sets of explanatory variables to see whether they affect the results of the estimation. On national level, our results confirm positive effect of minimum wages on employment of adults and on disposable income – but these findings were not confirmed on regional level. With respect to the regional perspective, the results are however subject to substantial uncertainty and are prone to substantial sensitivity to empirical specification. We attribute this uncertainty mainly to the quality of the data – small number of observations together with large heterogeneity.

JEL Classification E02, E24, J08, J30

**Keywords** minimum wages, employment effect,

disposable income, risk of poverty, panel data,

NUTS 2 regions, comparison

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