



The Institute of Development Economics

Research Papers

Titles: The dual-wage structure of construction workers and housing prices: evidence from Macau

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Abstract:

This study investigates how the dual-wage structure in Macau's construction industry affects housing prices, using Bayesian vector error correction models and Waggoner and Zha (1999) soft-conditional forecasting method. The results suggest an average increase of 2.20% in housing prices when construction workers' wages are steered towards the higher local level, and an average decrease of 2.23% when wages are guided towards the lower non-local level.

Link : <https://doi.org/10.1080/13504851.2025.2610421>