

URBAN RENTS AND COMMUTING TIMES IN IRELAND

ACHIM AHRENS AND SEÁN LYONS



Urban rents and commuting times in Ireland¹

Achim Ahrens (ESRI, ETH Zurich) and Seán Lyons*

ESRI Research Bulletins provide short summaries of work published by ESRI researchers and overviews of thematic areas covered by ESRI programmes of research. Bulletins are designed to be easily accessible to a wide readership.

INTRODUCTION

City workers often face a trade-off between paying high housing costs to live close to work and making long commutes from areas with lower costs of accommodation. Researchers studying the development of cities have suggested that when rents increase in an urban centre, this should lead to longer average commuting times. This paper measured the association between urban rents and commuting times in Ireland using data from recent years when rents rose substantially.

DATA AND METHODS

The study used data from the Central Statistics Office (CSO) Place of Work, School or College (POWSCAR) datasets for 2011 and 2016, which are based on data from Ireland's censuses. The census records the location of residence and place of work for all workers in Ireland, and these data were used to measure the numbers of commuters between each pair of Electoral Divisions (EDs) in the country (there are 3,409 of these areas). Mobile workers, commuters who start and finish within the same ED and those who work at home were excluded.

Information on residential rents in five-year periods up to each census was obtained from Ireland's Residential Tenancies Board. The law requires that all tenancy agreements in Ireland are registered with this body.

Regression models were used to explore how the probability of commuting between origin and destination pairs of EDs was related to rents, controlling for the number of residents, the number of jobs, other demographic factors and socioeconomic variables describing the areas.

RESULTS

As expected, average residential rents tend to be highest in areas with greater employment density. The analysis shows a statistically significant positive

¹ This Bulletin summarises the findings from Ahrens, A. and Lyons, S. (2020), Do rising rents lead to longer commutes? A gravity model of commuting flows in Ireland, *Urban Studies* 1–16. DOI: <https://doi.org/10.1177/0042098020910698>
This research was supported by the Economic and Social Research Institute's Environment Research Programme, which is funded by Ireland's Environmental Protection Agency (EPA).

relationship between the difference in rents between pairs of areas and the commuting time between them. A 10% rise in rents in Ireland's employment centres is associated with an up to 0.6 minute rise in one-way daily average commuting times across the whole country (about 2.2% of the average commute duration which was 27.3 minutes in 2016). The association seems relatively small, but this may reflect a slow response by commuters to changes in housing costs. In effect, there may be time lags in the decisions people make about where to live and work. The association also proved to be somewhat stronger in Dublin than in the rest of the country.

CONCLUSIONS

Our results are consistent with the idea that high housing costs tend to push those working in urban areas into commuting greater distances. Although Ireland's rents increased unusually quickly during this period, this process may also operate in less extreme housing market conditions.

This mechanism may lead to difficult policy trade-offs in the future. Both local preferences for restrictions on development in cities and national energy efficiency policies that increase the stringency of building regulations could affect the supply of housing in cities and put upward pressure on urban housing costs. Such policies may come into conflict with other environmental and social objectives that rely on reducing commuting distances and cutting the use of fossil fuels for transport.

However, the linkage between urban rents and commuting distances may also be weakened if there is a sustained shift towards remote working in the future. This could happen, for example, due to the widening availability of high-speed broadband in less well-served areas or if technological developments, employer acceptance, worker preferences and public policy incentives are boosted by experience gained during the COVID-19 pandemic.

Whitaker Square,
Sir John Rogerson's Quay,
Dublin 2
Telephone **+353 1 863 2000**
Email **admin@esri.ie**
Web **www.esri.ie**
Twitter **@ESRIDublin**