



1.

Entity	Nature of interaction
Outside UNSW – Cont.	

Real Estate Initiative 2017

Research team

Professor Kevin Fox - School of Economics, UNSW

Professor Erwin Diewert - School of Economics, UNSW and Vancouver School of Economics, the University of British Columbia

Associate Professor Glenn Otto - School of Economics, UNSW

Associate Professor Mariano Kulish - School of Economics, UNSW (until July 2017)

Dr Nigel Stapledon – Andrew Roberts Fellow in Real Estate/voluntary Real Estate Research Fellow, CAER

Research affiliates

Mr Andrew Roberts - UNSW alumnus and key founder of the Real Estate Initiative

Mr Luan Ferreira - Quantitative Researcher, RF Capital

Dr Minxian Yang - School of Economics, UNSW

Dr Christopher Gibbs - School of Economics, UNSW

Dr Nalini Prasad - School of Economics, UNSW

Mr Aaryn Lally - Honours Student, School of Economics, UNSW

Dr Xiangling Liu - Research Fellow, CEPAR

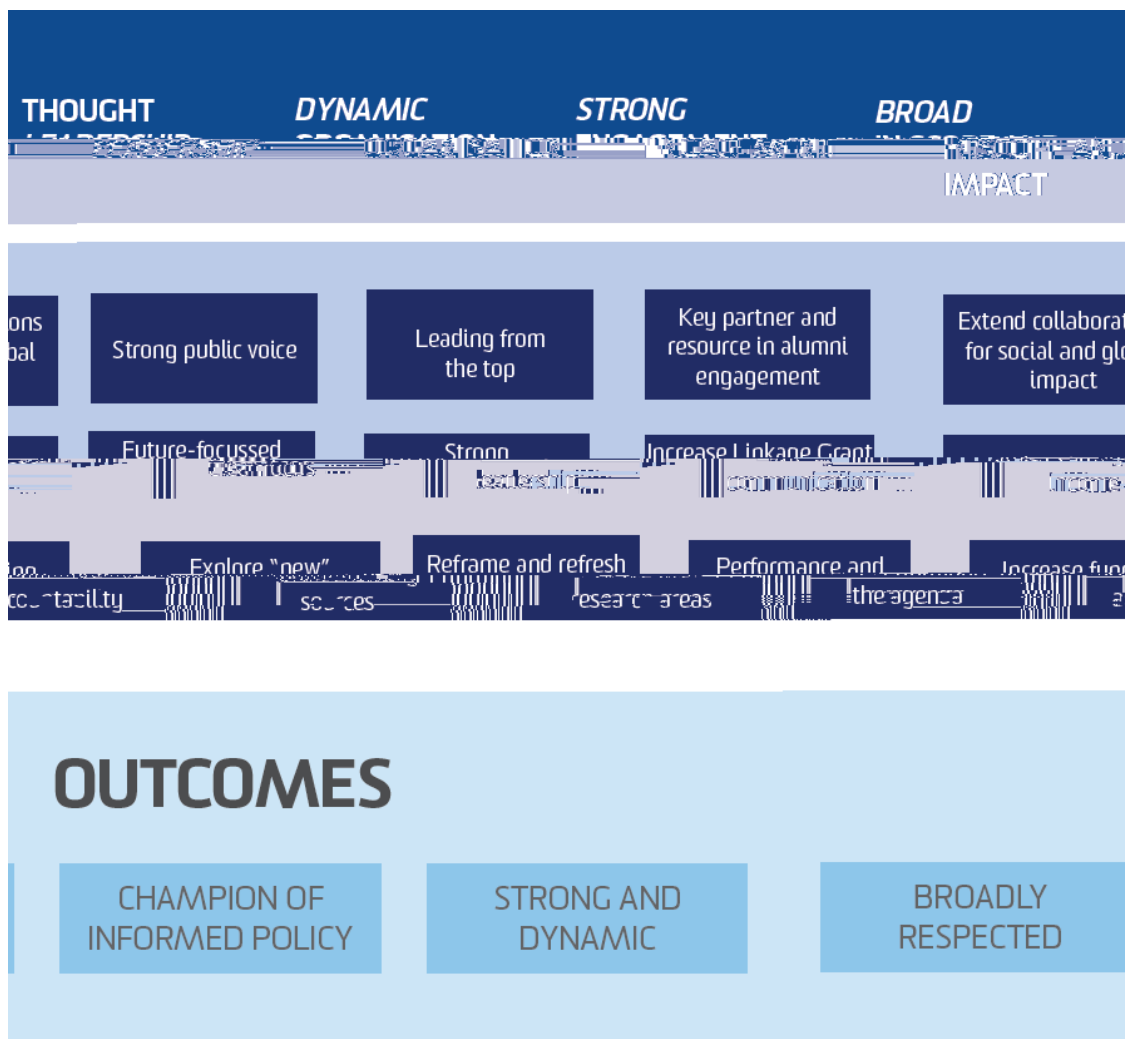
Dr Shanaka Herath - Vice Chancellor's Post-Doctoral Research Fellow, Faculty of Business, University of Wollongong

Professor Jan de Haan - Delft University of Technology and Statistics Netherlands

Associate Professor Alicia Rambaldi - School of Economics, the University of Queensland

Mr Tom Cusbert - Reserve Bank of Australia

1.6 CAER's mission and history



History

Founded in 1976 CAER is one of the oldest centres in the University and the first centre to be established in the former Faculty of Commerce and Economics (now the UNSW Business School). CAER's primary emphasis is on applied economic research relevant to policy issues. For more than thirty years a significant body of such research has been carried out and the results published in academic journals, books and the Centre's own publications. CAER's work is valued by its internal and external stakeholders and its years of built up impact have contributed to its brand name achieving a high level of external recognition. CAER is proud of its contribution to UNSW and the broader community. It remains relevant, having changed with times, and continues to attract top class international visitors, research funding and research collaborations.

change, spatial indices, decomposing indices into land and structure components; price-rent ratios - understanding the evolution of real estate markets; productivity of the real estate services industry.

Law and Economics Initiative

The Herbert Smith Freehills Initiative on Law and Economics is a collaboration between CAER, UNSW Business School, UNSW Law and the Herbert Smith Freehills law firm (Sydney). Its main goals are to help establish law and economics in the Australian academia, begin a dialogue with practitioners about developments in the field and developments in practice, and to establish UNSW as a key leader in the field. The research of the initiative aims to analyse and understand law and legal institutions from economic perspectives rather than the legal realistic tradition. This is achieved by applying the latest developments in the field of economics, including the

Centre for Applied Macroeconomic Analysis at the Australian National University (CAMA), August 2017, Canberra.

- **Professor Kevin Fox**, Invited Speaker, Seminar Series, Department of Economics, College of the Liberal Arts, Pennsylvania State University, May 2017.
- **Professor Kevin Fox**, Invited Speaker, Montréal Environment and Re (A)2.4 .3 ou6.3 (c2.4 .3 e12.1 (E)2.4 (

Media engagement

To raise the profile of CAER and UNSW, members of CAER's research initiatives were actively engaged with the media and were extensively interviewed on various topical issues during 2017. In addition to Professor Holden's on-going media engagement on SkyNews Australia, the Australian Financial Review and the Conversation, there were fifty-seven media engagements during the year with media engagements taking place almost every month.

In summary, CAER delivers its stated mission and objectives in a financially sustainable manner and continues to add significant value to UNSW.

3. CAER's planning for the coming year 2018

4. Statement of financial performance certified by the UNSW Business School's Finance Manager for the year

Additional notes:

- The expenses of the Real Estate Initiative are administrated through an FC101 project on UNSW accounts. Every year funds from the UNSW Foundation accounts are transferred to the FC101 project to cover the expenses and appear as donation income in the FC101 project.
- The expenses of the Law and Economics Initiative are administrated through an FC101 project on UNSW accounts. Every year funds from the UNSW Foundation accounts are transferred to the FC101 project to cover the expenses and appear as donation income in the FC101 project. On the 31st of December 2017 the remaining donation balance within the UNSW Foundation accounts of the Law and Economics Initiative was \$159,477.27.
- CAER would like to acknowledge the generous support of \$6,000 from the UNSW Business School's Research Office for the EMG Workshop 2017. The s ()TJ Csho94()TJ 25.43.1 as .UNER v

5. Details of research grants and projects associated with CAER during 2017

The following is a list of research grants and projects held by CAER's research initiatives in 2017 as part of their activities². CAER members are marked in bold.

- Australian Research Council Linkage Grant, 2014-2017, "The Economic Measurement of Property Markets: Prices, Bubbles, Economic Growth and Productivity", \$625,000, investigators: **K.J. Fox**, **G. Otto**, **N. Stapledon**, **M. Kulish**, **M. Hu**, **W.E. Diewert** and **I.A. Syed**, industry partners: property investor RF Capital and its associate property fund manager and investor CorVal Partners Limited. The research project is a collaboration between the Real Estate Initiative and the two industry firms, building on both firms' research capacity on property markets, including their data availability and industry expertise. Funds of this project (both ARC and industry partners') are administrated by CAER.
- Australian Research Council Future Fellowship Grant, 2013-2017, **R. Holden**, \$910,034. The project aims to further the understanding of non-price institutions such as firms, voting rules, trading mechanisms, bargaining protocols, and publicall 2 3

6. Statement of in-kind contributions, cash contributions, infrastructure and other resources provided to CAER during 2017

6.1 In-kind contributions

Estimated value of CAER members contribution to CAER's activities –by research initiatives³

CAER member	Type of Activity	Value of Contribution
Professor Kevin Fox	Economic Measurement Initiative activities	

	Type of Activity	Value of Contribution
Professor Kevin Fox	Director	46,671
Associate Professor Mariano Kulish	Deputy Director	16,033
Professor Elizabeth Carson (Associate Dean Research)	Steering Committee	7468
Professor Jerry Parwada (Head, School of Banking and Finance)		
Mr Tim Harcourt (J.W. Nevile Fellow in Economics)		
Ms Fei Wong (General Manager, UNSW Law)		
UNSW Business School administrative support	HR, IT, finance and marketing support	13,113
Total in-kind		83,285

6.2 Cash contributions⁵

Entity	Purpose	Cash Contribution
School of Economics	Support for the EMG Workshop 2017	\$6,000
Total cash		\$6,000

6.3 Infrastructure and other resources provided to CAER

CAER continue to share the allocated office space in the Quadrangle Building (~~space~~ >>BDC 0.086 Tw 1.47

7. Details of publications, professional engagements and scholarly achievements associated with CAER during 2017

7.1 Research output of CAER members

The following is a list of research output attained by CAER members in 2017 as part of their initiative activities. CAER members are marked in bold.

Dixon, Rosalind. "Treaty Implementation in Canada- A Comparative Perspective on the Tasmanian Dam Case" in *The Tasmanian Dam Case 30 Years On* (Michael Coper et al eds, Federation Press 2017).

Refereed Journal Articles

Diewert, W.E. and K.J. Fox, 2017, "Decomposing Productivity Indexes into Explanatory Factors", *European Journal of Operational Research*, Vol. 256 (1), pp. 275–291.

Elnasri, A. and **K.J. Fox,** 2017, "The Contribution of Research and Innovation to Productivity", *Journal of Productivity Analysis*, Vol. 47 (3), pp. 291–308.

Diewert, W.E. and K.J. Fox, 2017, "Output Growth and Inflation across Space and Time", *Eurostat Review on National Accounts and Macroeconomic Indicators (EURONA)*, Issue No 1, pp. 7-40.

Holden, R.T., P. Aghion, E. Fehr and T. Wilkening, "The Role of Bounded Rationality and Imperfect Information in Subgame Perfect Implementation - An Empirical Investigation",

Dixon, Rosalind. "The Core Case for Weak Judicial Review", 38 *Cardozo Law Review* 2193 (2017)

Other Research Output

Fox, K.J., 2017, "Editor's Introduction to the Special Issue of The Review of Income and Wealth on 'Productivity Measurement, Drivers and Trends' IARIW-UNSW Special Conference, Sydney, 26–27 November 2013," *Review of Income and Wealth*, Vol. 63 (S1), pp. S1-S6.

Fox, K.J.

- **Kevin Fox**, Invited Speaker, the 15th EWEPA Conference, hosted by the School of Business and Economics, Loughborough University and its Centre for Productivity and Performance, June 2017, London, UK.
- **Richard Holden**, Invited Speaker, Harvard Economics, 2017
- **Richard Holden**, Invited Speaker, Harvard Law School, 2017
- **Richard Holden**, Invited Speaker, MIT, 2017
- **Richard Holden**, Invited Speaker, Chicago law school, 2017
- **Richard Holden**, Invited Speaker, Northwestern Law School, 2017
- **Richard Holden**, Invited Speaker, University of Sydney, 2017
- **Richard Holden**, Invited Speaker, University of Melbourne, 2017
- **Richard Holden**, Invited Speaker, Hong Kong University. 2017
- **Rosalind Dixon**, Invited Speaker, ICON-S Conference, Copenhagen, Summer 2017
- **Rosalind Dixon**, Invited Speaker, Columbia Law School, Workshop on Constitutions and Economic Justice, Spring 2017
- **Rosalind Dixon**, Invited Speaker, Fordham Law, Faculty Workshop, Spring 2017
- **Rosalind Dixon**, Invited Speaker, University of Chicago, Conference on Constitutional Implementation, Fall 2017
- **Rosalind Dixon**, Invited Speaker, NYU Law, Conference on populism and the new public law, Fall 2017
- **Rosalind Dixon**, Invited Speaker, Harvard Law School, International Comparative Law Workshop, Fall 2017

- Members/fellows of committees/organizations

In 2017 **Professor Richard Holden** was elected a Fellow of the Econometric Society.

In 2017 **Professor Rosalind Dixon** was elected co-President of the International Society of Constitutional Law (ICON-S).

In 2017 **Professor Richard Holden** was elected President of the Australian Law and Economics Association.

Scholarly achievements

- In 2017 **Professor Kevin Fox** was acting as an Advisor to the Australian Treasury
- An illustratPrFKet(d)0.5 n D (y)16.1 -8 (h)0.6 (n)0.6 (m)15-18b2 1 Tf 0Ho20H10 Tc 07 JTJ -0.0qd 0.6 ((o)5.8 te

details, see the following and references therein:

ABS (2017), "An implementation plan to maximise the use of transactions data in the CPI," Information Paper 6401.0.60.004, Australian Bureau of Statistics, Canberra.

- **Professor Kevin Fox was** part of a team that jointly won a major new UK prize in economics – the **Indigo Prize 2017**. The Prize challenged entrants to consider how to measure economic activity in a 21st century economy. Kevin collaborated with colleagues from Imperial College, Wellesley College, LUISS (Rome), the Georgetown Centre for Business and Public Policy, and NESTA, to submit an entry titled "Improving GDP: Demolishing, Repointing or Extending?". The aim of the competition was to catalyse a debate about how and what factors are currently measured given the evolving economies, technology and skills bases, and what should now be taken into consideration in official economic statistics that measure the health, size and growth of a modern economy.
- The 2017 Kendrick Prize Committee of the International Association for Research in Income & Wealth (IARIW) selected

- On 22 August 2017, **Professor Kevin Fox** met with the Department of Education and Training to provide advice on research relating to the returns to spending on higher education.
- On 23 August 2017, **Professor Kevin Fox** met with the Department of Agriculture and Water Resources to provide advice on research relating to productivity measurement in the agricultural sector.
- **Professor Kevin Fox**, Invited Panelist, Workshop on “*Industry and Innovation Policy*”, organized by the Department of Industry, Innovation and Science, September 2017, Canberra.

8.4 Media engagement

The following is a list of media engagement undertaken by CAER members in order to raise the profile of CAER and UNSW in the broader community:

On-going

- **Professor Richard Holden**, weekly commentator on Peter van Onselen’s PVO NewsDay on SkyNews Australia.

9. Details of research supervision and teaching activities carried out by CAER members on behalf of academic units

9.1 Research supervision

Postgraduate research supervision activities within CAER are coordinated with the relevant Schools/Faculties (mainly the School of Economics and UNSW Business School), in accordance with the relevant UNSW policies, procedures and delegations. The following is a list of research supervision carried out by CAER members in 2017 as part of their initiative activities. CAER members are marked in bold.

PhD Supervision

Supervisor: **Kevin Fox**

Adam Gorajek: *Crossing Econometrics and Measurement*

In progress

Supervisor: **Kevin Fox**

Glenn Fahey: *Firm Level Dynamics*

In progress

Supervisor: **Kevin Fox**

Shipei Zeng: *Topics in Measurement Economics*

In progress

Supervisor: **Kevin Fox**

Khanh Hoang: *Accounting for Natural Capital in Productivity Analysis*

In progress

Supervisor: **Richard Holden**

Muse Garcia-Demie

School of Economics, UNSW, 2017-2018 (submitting March 2018)

Supervisor: **Richard Holden**

Johannes Hoelzemann

School of Economics, UNSW, 2017-2018 (submitting March 19, 2018)

Supervisor: **Richard Holden**

Barton Lee

School of Economics, UNSW, 2017-2018 (ongoing).

Supervisor: **Rosalind Dixon**

Shreeya Smith

UNSW Law School.

Supervisor: **Rosalind Dixon**

Jemima Roberts

UNSW Law School

Supervisor: **Rosalind Dixon**

Khanh Hoang

UNSW Law School

Supervisor: **Rosalind Dixon**
Bhatara Reza
UNSW Law School

9.2 Teaching activities

Real Estate Initiative

- In 2017 twenty-five students have completed the real estate studies major, which is a great achievement for the Real Estate Initiative since the establishment of the major in 2014. The real estate major continued to see an increase in students' enrolments. In particular, enrolments for the "Real Estate Economics and Public Policy" course has increased to 94 in 2017, and twelve current students chose the real estate major as their specialized major.

Dr Nigel Stapledon, member of the Real Estate Initiative taught the "Real Estate Economics and Public Policy" course which was delivered to both undergraduate and postgraduate students in the second semester of 2017. The delivery of the two courses was coordinated with the UNSW Business School in accordance with the relevant UNSW policies and procedures.

10. Details of significant managerial or personnel changes during 2017

Several managerial and personnel changes took place in 2017:

- Dr Stapledon continued his association with CAER on a voluntary basis and the Director is in the process of officially appointing him as a visiting Real Estate Research Fellow within CAER (a non-remunerated position).

- In July 2017 Associate **Professor Mariano Kulish** ceased his role as CAER's Deputy Director.

CAER would like to thank Associate Professor Mariano Kulish for his contribution to the Centre's activities and to wish him well in his future endeavors.

11. A record of dates and attendance at meetings of CAER's Steering Committee

No meetings were held during the year 2017 due to official absences, the appointment of a new Associate Dean (Research) and scheduling difficulties.