



Business School

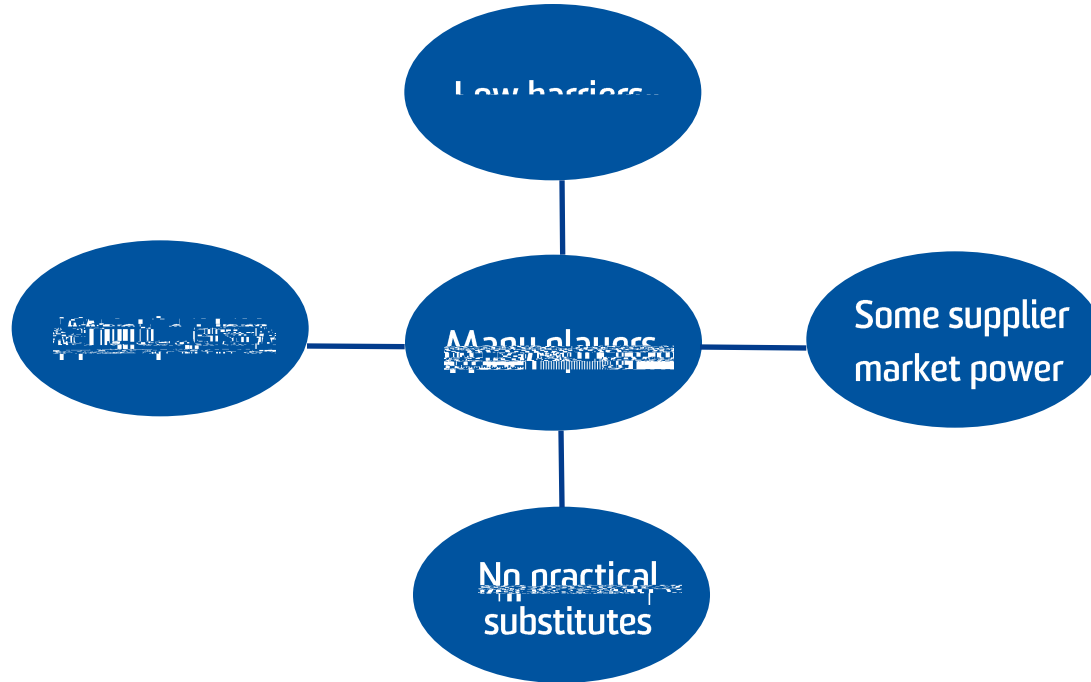
# Competition Policy and Real Estate

Emeritus Professor Frederick G. Hilmer, AO  
AGSM @ UNSW Business School

**Real Estate Symposium**  
**Tuesday, 6 September 2016**

1. Industry Structure
2. Regulation
3. Low Productivity
4. Convergence of Cost and Demand Pressures

# Few Competition Issues in Housing





Project Council "Washington" "Greenfield"

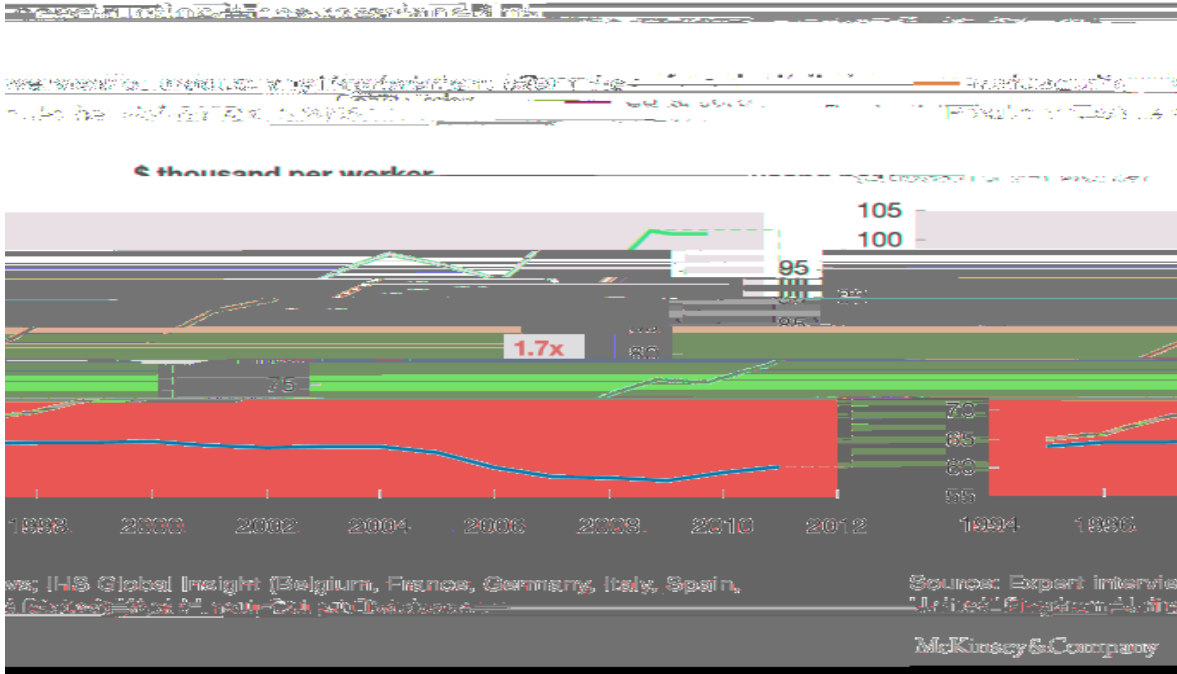






# Low Productivity

Productivity in manufacturing has nearly doubled, whereas in



Reference: <http://www.mckinsey.com/industries/infrastructure/our-insights/the-construction-productivity-imperative>, Article July 2015

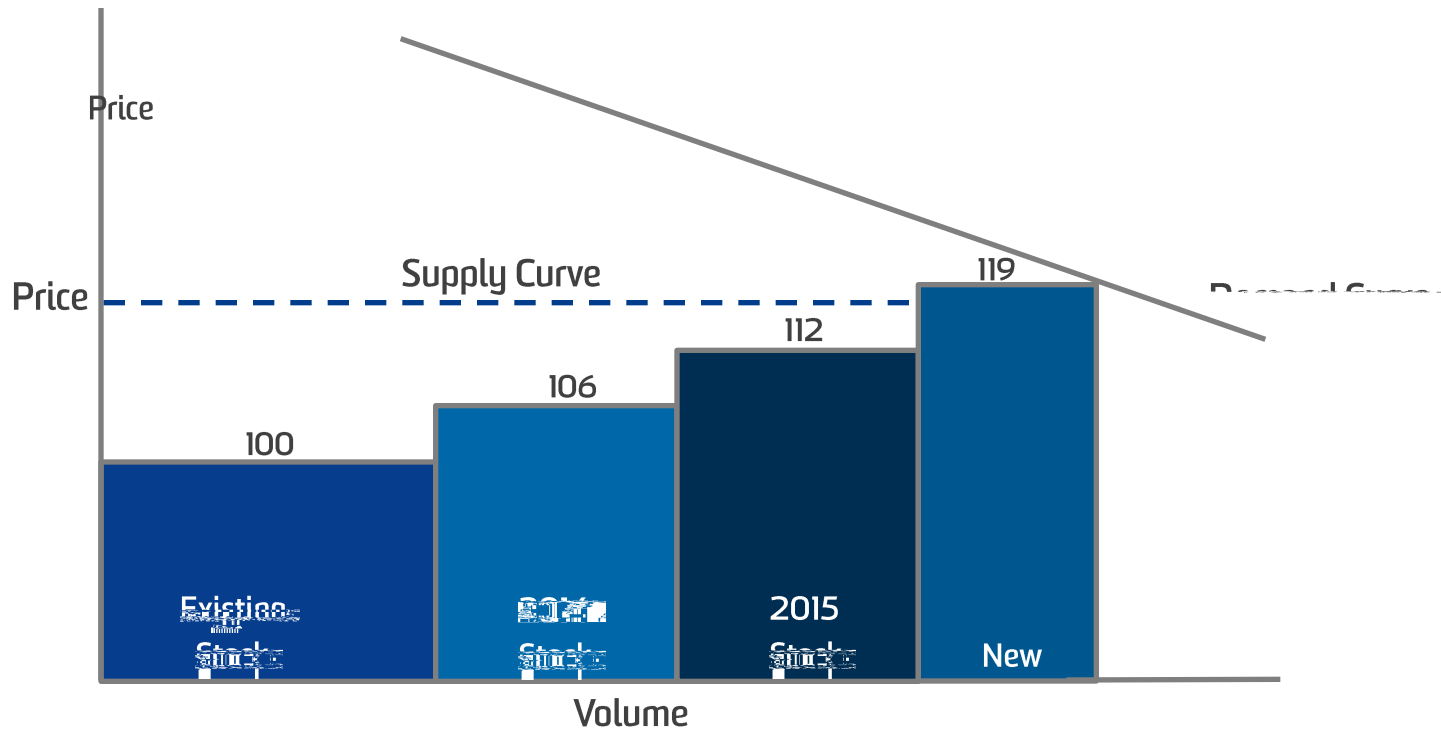






Reference: Akin Oyedele, Money & Markets, Business Insider: <http://www.businessinsider.com.au/new-home-price-premium-over-existing-homes-2014-12>

# Simplified Supply and Demand



# So what?

**Better understand supply / demand**

**Tackle deregulation (including review of standards)  
supported by “reform payments”**

**Identify what it takes to radically improve  
productivity**