

## Subject Description Form

<b>Subject Code</b>	BRE216
<b>Subject Title</b>	Economics for Construction and Real Estate
<b>Credit Value</b>	3
<b>Level</b>	2
<b>Pre-requisite / Co-requisite/ Exclusion</b>	Nil
<b>Objectives</b>	<p>This subject is intended to:</p> <ol style="list-style-type: none"> <li>1. Provide students with an economics perspective of the real estate and construction sectors, and an understanding of their roles on the general economy.</li> <li>2. Introduce to students the institutions within which the industry and its professions operate and interact with.</li> <li>3. Enable students to identify and analyze industry-wide problems based on an understanding of the market structure, performance and behaviour of the industry.</li> </ol>
<b>Intended Learning Outcomes</b>	<p>Upon completion of the subject, students will be able to:</p> <ol style="list-style-type: none"> <li>1. Describe the size and market structure of the property and construction industries, and consequently articulate why construction and real estate has played an important role on economic development, particularly in the case of Hong Kong. In particular, students would be able to: <ol style="list-style-type: none"> <li>a) describe the contribution of the property and construction industries to economic growth,</li> <li>b) describe how much the construction output has been in countries around the globe,</li> <li>c) describe some salient features of the property and construction sectors.</li> </ol> </li> <li>2. Apply macroeconomics theories, in particular those concerning business fluctuations, aggregate demand, and the Keynesian multiplier model to understand and describe the economic and social role of the property and construction industries. With such competence, students would be able to: <ol style="list-style-type: none"> <li>a) evaluate whether fiscal plans adopted by governments around the globe would work as intended to stimulate the general economy,</li> <li>b) give their own ideas of how such fiscal policies should be formulated and implemented in view of constraints and limitations.</li> <li>c) articulate the inter-relationship between the property and construction industries, the banking industry and the macro-economy.</li> </ol> </li> <li>3. Be able to inter-relate the various sectors of the construction industry, including new build, retrofitting, building and infrastructure works.</li> <li>4. Be able to articulate the roles and interdependence of participants in the construction and real estate industry, including developers, consultants, contractors, property managers and the government.</li> <li>5. Be able to identify problems related to the market structure and the behaviours of the stakeholders.</li> <li>6. Be able to effectively communicate their ideas, to make contributions to teamwork and to demonstrate their leadership potential. Students are required to present their works and findings in groups and lead the discussions afterwards, learning to</li> </ol>

	<p>communicate their ideas and advance their arguments in an effective and convincing manner. The group work setting will also facilitate their understanding of group dynamics, cultivating their leadership skills and nurturing their sense of responsibility being part of a team. They are assessed both individually and as a group.</p>																																																												
<b>Subject Synopsis/ Indicative Syllabus</b>	<p>Overview of macro-economic theories. Roles of property and construction on the economy, with comparisons between some economies around the globe and the particular case of Hong Kong. The relationship between the property, construction and the financial/banking sectors. Characteristics of the construction industry. The role of surveying and property management consultants in project and property management. An overview of market structure, performance and behaviour of the real estate and construction industry in Hong Kong. Economic problems associated with the Asian Financial Crisis, the Sub-prime Crisis and globalisation.</p>																																																												
<b>Teaching/Learning Methodology</b>	<p>Students spend half of their total contact hours in mass lectures, and another half in seminars. Tutorials are interactive and students are encouraged to participate in discussions. Topics are introduced in the lectures and the key issues highlighted as well, supplemented with further learning and reference materials downloaded from the web. Subsequent seminars provide the opportunity for more in-depth discussion of the main issues delivered in the lectures. Themes of the seminars will follow closely that of the lectures, so that the framework introduced in the lectures can be further illustrated, exemplified and elaborated. Learning materials will also be assessable from the web.</p>																																																												
<b>Assessment Methods in Alignment with Intended Learning Outcomes</b>	<table border="1"> <thead> <tr> <th rowspan="2">Specific assessment methods/tasks</th> <th rowspan="2">% weighting</th> <th colspan="6">Intended subject learning outcomes to be assessed (Please tick as appropriate)</th> </tr> <tr> <th>1</th> <th>2</th> <th>3</th> <th>4</th> <th>5</th> <th>6</th> </tr> </thead> <tbody> <tr> <td>1. Seminar/Group Report 1</td> <td>20%</td> <td>√</td> <td>√</td> <td>√</td> <td></td> <td></td> <td>√</td> </tr> <tr> <td>2. Seminar/Group Report 2</td> <td>20%</td> <td></td> <td>√</td> <td></td> <td>√</td> <td>√</td> <td>√</td> </tr> <tr> <td>3. Examination</td> <td>60%</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> </tr> <tr> <td>Total</td> <td>100 %</td> <td colspan="6"></td> </tr> </tbody> </table> <p>Explanation of the appropriateness of the assessment methods in assessing the intended learning outcomes:</p> <table border="1"> <thead> <tr> <th rowspan="2"><i>Learning outcomes</i></th> <th colspan="4"><i>Assessed principally through</i></th> </tr> <tr> <th>Oral Seminar Presentation</th> <th>Written Seminar Report</th> <th>Attendance and Performance in Class</th> <th>Examination</th> </tr> </thead> <tbody> <tr> <td colspan="5"><i>All-rounded attributes:</i></td> </tr> </tbody> </table>	Specific assessment methods/tasks	% weighting	Intended subject learning outcomes to be assessed (Please tick as appropriate)						1	2	3	4	5	6	1. Seminar/Group Report 1	20%	√	√	√			√	2. Seminar/Group Report 2	20%		√		√	√	√	3. Examination	60%	√	√	√	√	√	√	Total	100 %							<i>Learning outcomes</i>	<i>Assessed principally through</i>				Oral Seminar Presentation	Written Seminar Report	Attendance and Performance in Class	Examination	<i>All-rounded attributes:</i>				
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	1. to possess skills to identify, analyze and solve problems		√		√
	2. to have an understanding of professional, social and ethical responsibilities				√
	3. to communicate effectively	√	√	√	√
	5. to contribute as team member and to lead effectively	√	√		
	7. to identify contemporary issues			√	√
<b><i>Intended learning outcomes of course:</i></b>					
	1. An ability to describe the size and market structure of the property and construction industries and consequently an understanding of why construction and real estate has played an important role on economic development, particularly in the case of Hong Kong.	√	√		√
	2. Be capable of applying macroeconomics theories, in particular those concerning business fluctuations, aggregate demand, and the Keynesian multiplier model on the economic and social role of the property and construction industries.				√
	3. Be able to inter-relate the various sectors of the construction industry, including new build, retrofitting, building and infrastructure works.				√
	4. Be able to articulate the roles and interdependence of participants in the construction and real estate industry, including developers, consultants, contractors, property managers and the government.	√	√		√
	5. Be able to identify problems related to the market structure and the behaviours of the stakeholders	√	√		√

The assessment criteria adopted in tutorial seminars

Nature of Coursework: Individual Presentation and Group Report

Assessment criteria:

1. Seminar (oral presentation) – individual assessment (40%)
2. Seminar (Group report) – overall (group) assessment (40%)
3. Attendance and active participation in Q and A (20%)

1. Seminar (oral presentation) – individual assessment (40%)

Individual assessment is based on:

- a. Clarity of presentation
- b. Oral presentation skills
- c. Facilitation of Q & A session

2. Seminar (Group report) – overall (group) assessment (40%)

Assessment of the group is based on:

- a. Understanding of the central theme and identification of relevant issues
- b. Collection of data / information
- c. Data interpretation and analyses
- d. Written communication skills.
- e. Conclusion

3. Attendance and active participation in Q and A (20%)

Each student is encouraged to participate actively in the Q & A session. Each student was asked to raise at least one question.

Evidences students are expected to give to get the various grades under the criteria:

Grade	Report	Presentation
A+	<ol style="list-style-type: none"><li>1. Excellent understanding of the central theme and identification of relevant issues</li><li>2. Insightful and stimulating</li><li>3. Very good collection of data / information (with some extra reading)</li><li>4. Very good data interpretation and analyses (good illustration by examples, case studies, figures and other evidences)</li><li>5. Display excellent written communication skills.</li><li>6. Excellent conclusion</li></ol>	<ol style="list-style-type: none"><li>1. Clarity of presentation</li><li>2. Stimulating presentation</li><li>3. Excellent oral presentation skills</li><li>4. Excellent Facilitation of Q &amp; A session</li></ol>
A	<ol style="list-style-type: none"><li>1. Very good understanding of the central theme and identification of relevant issues</li><li>2. Good collection of data / information</li><li>3. Good data interpretation and analyses (Good illustration of the answer by examples, case studies, figures and other evidences).</li><li>4. Display very good written</li></ol>	<ol style="list-style-type: none"><li>1. Clarity of presentation</li><li>2. Good oral presentation skills</li><li>3. Facilitation of Q &amp; A session</li></ol>

		<p>communication skills.</p> <p>5. Very good conclusion</p>	
	B+	<p>1. Good understanding of the central theme and identification of relevant issues</p> <p>2. Good collection of data / information</p> <p>3. Good data interpretation and analyses</p> <p>4. Display good written communication skills</p> <p>5. Good conclusion</p>	<p>1. Clarity of presentation</p> <p>2. Good oral presentation skills</p> <p>3. Good facilitation of Q &amp; A session</p>
	B	<p>1. Good understanding of the central theme and identification of relevant issues</p> <p>2. Sufficient data collection, interpretation and analyses</p> <p>3. Display good written communication skills</p> <p>4. Good conclusion</p>	<p>1. Clarity of presentation</p> <p>2. Good oral presentation skills</p> <p>3. Facilitation of Q &amp; A session</p>
	C+	<p>1. Understanding of the central theme and display adequate knowledge of the subject</p> <p>2. Sufficient data collection and analyses</p> <p>3. Display reasonably good written communication skills</p> <p>4. Reasonably good conclusion</p>	<p>1. Familiarity with the topic</p> <p>2. Reasonably good oral presentation skills</p> <p>3. Some facilitation and participation of Q &amp; A session</p>
	C	<p>1. Reasonable understanding of the central theme and display adequate knowledge of the subject</p> <p>2. Provide sufficient data and information</p> <p>3. Display some written communication skills</p> <p>4. May have a reasonably good conclusion</p>	<p>1. Familiarity with the topic</p> <p>2. Reasonably good oral presentation skills</p> <p>3. Poor participation of Q &amp; A session</p>
	D+	<p>1. Display inadequate knowledge of the subject</p> <p>2. Provide poor and insufficient data / information</p> <p>3. Display poor written communication skills</p> <p>4. May not have a conclusion</p>	<p>1. Poor knowledge of the topic</p> <p>2. Poor oral presentation skills</p> <p>3. Poor participation of Q &amp; A session</p>
	D	<p>1. Display poor knowledge of the subject</p> <p>2. Provide poor and insufficient data / information</p> <p>3. Display poor written communication skills</p> <p>4. May not have a conclusion</p>	<p>1. Very poor knowledge of the topic</p> <p>2. Poor oral presentation skills</p> <p>3. Poor participation of Q &amp; A session</p>
	F	<p>1. Display no knowledge of the subject</p> <p>2. Provide poor and insufficient data / information</p> <p>3. Display poor written communication skills</p>	<p>1. No knowledge of the topic</p> <p>2. Poor oral presentation skills</p> <p>3. Poor participation of Q &amp; A session</p>
<b>Student Study Effort Expected</b>	Class contact:		
	<ul style="list-style-type: none"> <li>▪ Lecture</li> </ul>		21 Hrs.

	<ul style="list-style-type: none"> <li>▪ Seminars/Tutorials</li> </ul>	21 Hrs.
	Other student study effort:	
	<ul style="list-style-type: none"> <li>▪ Independent Study</li> </ul>	120 Hrs.
	Total student study effort	162 Hrs.
<b>Reading List and References</b>	<p><b>Recommended:</b></p> <p>Samuelson, P.A. and Nordhaus, W.D. (2010). <i>Economics</i>, 19<sup>th</sup> edition. McGraw-Hill International Edition.</p> <p><b>Supplementary:</b></p> <p>Chiang, Y.H. Anson, M. and Raftery, J. (2004) <i>The Construction Sector in Asian Economies</i>. London and New York: Spon Press. 491pp.</p> <p>Glahe, F. &amp; Lee, D. (1989), <i>Microeconomics</i>, Harcourt Brace Jovanovich: New York.</p> <p>Hong Kong Government, <i>Annual Economic Reports and Reviews</i>, H.K. Government Printer.</p> <p>Hong Kong Polytechnic University, <i>AsiaConstruct Annual Country Reports on Construction and Real Estate Industry</i>.</p> <p>Raftery, J. (1998), <i>Principles of Building Economics</i>, Blackwell Scientific Publications: Oxford.</p> <p>Eccles, T., Sayce, S., and Smith, J.(1999) <i>Property and Construction Economics</i>, International Thomson Business Press</p>	