



Surveying

news



CHAN Hak



Message from the President

On 14 August 2002 I was invited to attend a round table meeting organised by the Hong Kong Trade Development Council and the Beijing Municipal Development Planning Commission for the purpose of introducing the investment opportunities from the infrastructure projects of the 2008 Beijing Olympics and the views of the relevant professional and financing bodies.

Our Institute was the only construction related professional body present being arranged in the programme to give a 10-minute talk on the work of surveyors with particular reference to the Olympics projects. A handout in Chinese was prepared and given to participants before the meeting. A copy is annexed on page 3. A summary of my talk is as follows.

From the investor's perspective the basic considerations are: (1) there has to be an accurate valuation of the land, the structure and the facilities, clear terms and conditions on the use, the management flexibility to change or modify the structure and facilities, and to revise fees and charges, and to determine rent and sale prices; (2) an accurate costing for the construction, material and maintenance, and together with the land valuation a total capital investment and recurrent maintenance cost can then be worked out; (3) these projects have a fixed time frame, i.e. to be completed by June 2006, therefore there has to be stringent project management to ensure the work progresses smoothly and on schedule; and (4) after the games, these structures and facilities have to be managed and maintained properly and to yield an optimum return.

The Hong Kong Institute of Surveyors offer professional services covering all the above, namely: valuation of land, property and facilities; building material and construction cost; building and facility management; and property management. More importantly, we have been practicing and adapted to a proven and world-class construction and property management system. We believe that our professional services will reinforce the confidence of the investors and help to ensure the quality and on-time completion of all these projects.

1	Message from the President	11	Quantity Surveying Division
4	News from the Divisions	12	Junior Organization
4	Building Surveying Division	20	Features
6	General Practice Division	38	Surveyor's Surf
8	Land Surveying Division	40	Book Review

SURVEYING is the newsletter of the HKIS. It is distributed to members, students and friends of the surveying profession free of charge. Anyone wishing to receive a copy may contact the office of the Institute.

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EDITORIAL CONTRIBUTIONS

Surveying encourages article queries and submissions. Article submissions should include both hard (printed) copy and a diskette in Word format. Contributions should reach the Hon. Editor at the office of the Institute before the 10th of each month.

INFORMATION & CONTENTS

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Monday to Friday 9:00am - 5:30pm
Saturday 9:00am - 12:30pm

HKIS SURVEYORS ANNUAL DINNER 2002

will be held on
Friday, 22 November 2002
at the Grand Hyatt Hong Kong

with
Guest of Honour
Mr Michael SUEN Ming Yeung, GBS, JP
Secretary for Housing, Planning and Lands
The Government of the HKSAR

Please mark your diary and book early for a place.
See attached reservation form for further details.


CONSTRUCTION INDUSTRY SAFETY TRAINING CERTIFICATE ('GREEN CARD')

Corporate members of The Hong Kong Institute of Surveyors (HKIS) are reminded that they can apply for the Construction Industry Safety Training Certificate through HKIS.

Section 6BA of the Factories and Industrial Undertakings Ordinance (FIUO), Cap. 59, requires every person carrying out construction work or container handling to undergo mandatory basic safety training (MBST) and obtain a valid certificate (generally known as 'Green Card'). The Labour Department has informed HKIS that:

"The primary consideration on the requirement of a 'Green Card' lies on whether that person is carrying out construction work or not. We have to stress it is not the title but the nature of work that counts. If representatives of the owner of developer are not involved in carrying out any kind of construction work or preparation for construction work, those persons are not required to hold 'Green Cards'. If they are only engaged in reporting on work progress and no construction work is carried out, there is no need for them to undergo MBST. The same principle applies to consultants attending site meetings but the nature of carrying out supervisory work must be judged on whether 'construction work' is involved. In the last case, consultant surveyors conducting site monitoring or testing of material require MBST."

HKIS has been authorised by the Labour Department to issue the relevant certificate for the construction industry under section 6BA(4) of FIUO, which will satisfy the safety-training requirement under section 6BA of the Ordinance.

As a corporate member, you may apply for the issue of the certificate from the HKIS office. There is an administration charge of HK\$50 for the application of the certificate. The application forms are processed at the end of each month and are valid for 3 years from the date of issue from the beginning of each month. If you require an application form please contact the office at 2526 3679 for a copy. 

北京奧林匹克公園 B 區比賽場館 及相關設施項目投資機會

圓桌會議

2002 年 8 月 14 日

香港會議展覽中心

甲、北京奧運項目發展與投資需要掌握和考慮的資料

一、土地可持續利用和使用權

土地可持續利用是個重要的考慮，土地是一個寶貴的資源，而奧運項目都涉及使用土地。所以除了要滿足 2008 奧運的要求，也要考慮到以後的土地利用與價值。因此要作出準確土地價值的評估，這包括測測鄰近地區的土地使用情況，和未來發展的趨勢。同時也要知道日後有關土地的使用權和限制。有關項目的改動與重新發展的可能性，整體城市規劃。從這些資料，可以計算出在土地方面投資的成本，與未來從房地產與各樣設施的收益。

二、工程造价

這幾個項目都是大型的建築工程和採用特別的設備，所以工程的造價是非常龐大和材料與設備也非常複雜。所以在造價方面一定要準確掌握，才可以計算投資所需的金額。

三、工程合約的擬訂和監管

這些奧運項目是要在一定時限內完成，而施工程序也非敘複雜，所以工程進度要嚴格監管。一方面避免任何拖延，準時竣工和進行各樣測試；二方面要保證施工的素質符合要求；三方面是要在竣工後進行必需的維護，維持預期的效果；四方面是避免或減少施工時引起的糾紛和索償。如果遇到糾紛的情況，能夠有公正的仲裁。

四、在奧運期中與日後項目的管理與營運

設備與房產物業需要專業的管理和維護，出租與發售也要有靈活性和跟上市場的情況，所以要不斷地測測鄰近地區的房地產和作出評估，和研究未來其他土地使用的機會，例如是規模和用途的改變。

乙、測量專業界可以提供的服務

一、評估土地和設施的價值，這包括要測測鄰近地區的土地使用，人口的情況，和交通網絡等，預測未來土地使用的需求，和估計各樣情況下的回報，向有關當局作出土地發展的建議。

二、擬定工程合約，與建築師商議高成本效益的設計和材料，準確計算建築成本，嚴緊監管工程的進行和質量檢查，有效地控制成本。

三、如工程出現糾紛，可以擔任仲裁角色，作出專業上的仲裁，避免費時昂貴的法庭訴訟。香港建築師學會和香港測量師學會同是在標準建築合約裡指定的仲裁團體。


四、管理和維護各場館和設施。訂定出租和出售的策略和價格。

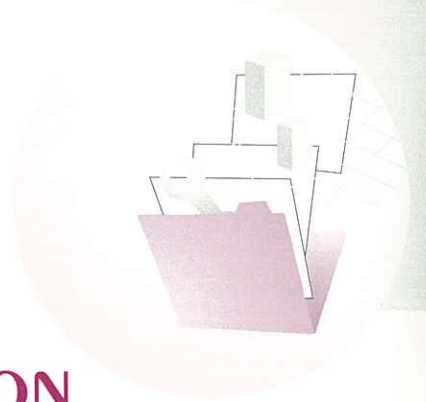
丙、總結

一、投資者一定要準確掌握項目的開支，工程的造價。計算項目的收益和還本情況，可能考慮把項目分拆或合併，以達到合理回報。如果土地使用權和限制有寬鬆的處理，將有利於投資考慮。

二、若干項目或部份項目，在奧運後可能收益不大，因此要有彈性變更整個或部份有關項目，擴大周邊的土地，以達到符合市場的需要和可持續地利用原有的土地。

三、這些項目是有一定的竣工日期和提供給奧運參與者的使用和享受，所以準時竣工和質量有很高的要求。假如有香港有關建築工程的專業人士的參與，和採用香港的工程制度和仲裁方法，將可以加強投資者的信心和幫助工程的順利進行。

以上是香港測量師學會對這幾個奧運場館和設施的項目的投資情況和可以提供的測量專業服務一些初步的意見。我們很樂意進一步解釋我們服務範圍和對這些項目的參與。 



Building Surveying Division

Raymond Chan, Chairman

CPD for Beijing Market

This CPD event which was held on 12 August 2002 was not well subscribed. Only about 40 persons attended. However, I must thank the speakers including Mr Alex Wong, Mr Philip Tse and Mr Gary Yeung. I understand the speakers had done their homework and presented detailed descriptions of the basic knowledge which is useful if we ever want to enter the market in the Mainland China.

I was a bit disappointed at the low attendance rate for this CPD as the speakers had spent a lot of effort and the issue was indeed an important one.

Forthcoming events

APC workshop

As announced in the last issue of "Surveying", we have formulated an APC workshop for our student members and young professionals. The workshop will be a 2-day event to be held on 28 September 2002 and 5 October 2002.

Again, we have put a lot of effort into this and I hope that more members will take the full benefit of it.

Conference on the Reform and Development of the Construction Industry organized by the Ministry of Construction (建設部) and The Environment, Transport and Works Bureau, HKSAR

This conference is a large-scale conference held annually. This year, the conference will be held on 21-23 October 2002 in Nanjing (南京).

In previous years, this conference tended to aim at areas concerning construction of infra structures, building development and construction management, etc. This year, one of the three discussion topics is "Commercialization of Residential Property and Property Management 住宅產業化與物業管理".

Two building surveyors from HKIS have submitted papers for presentation in the conference:

- (1) Mr Ben Chong on "違章建築物的管制".
- (2) Mr Raymond Chan on "如何為業權分散的樓宇制訂維修管理策略".

These two topics relate to our expertise on building control and maintenance management.

It will be good if more BS members can participate in this event. Clients (or potential clients) can also be invited to attend and they will be able to have a better understanding of our expertise.

Building Surveyors Conference 2002 Revitalization of Built Environment

The Organization Committee is very pleased to announce that the BS Conference this year will be held on 12 October 2002 at JW Marriott Hotel, One Pacific Place, 88 Queensway, Hong Kong. This year we have invited speakers from various sectors in Hong Kong and other world cities to give us insight along the theme of the Conference. Please reserve the day in your diary for joining the event.

Press Release

On the day following the "Yuet Wah Street incidence", HKIS organized a press release meeting in the HKIS headquarters. It was well attended by TV / Radio media and reporters from many local newspapers. The meeting was conducted by 3 building surveyor representatives including Mr Kenneth Chan, Mr Richard Cheung and myself. Our observations and comments were well reported by the various media and have helped the public to understand related matters better.



(from left to right)

Raymond Chan, Kenneth Chan and Richard Cheung

Training Opportunities for BS graduates


The BSD council has held an informal meeting with the training officers in several government departments and leading corporations. We explored possible means to increase the number of training posts for BS graduates. We also discussed and initially agreed on some co-operation between government departments and corporations in providing training to graduates.

We expect to have a discussion with the academic in the near future.

Standard Form of Contract for Building Maintenance and Repair Works

Many of our members feel that the existing standard forms of contract are not totally suitable for building maintenance and repair works. The QSD council and the BSD council have set up a joint working group to work on the drafting of a new standard form.

We have held several meetings already and have identified many relevant points for further development. I personally hope that this new standard form of contract will be ready as soon as possible. I expect it to be completed in one year's time.

I would welcome more members to contribute their ideas on this. Please contact me if you have any ideas or if you wish to contribute by joining our working group. 

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- **BSc in Building Surveying** (University of Reading)
(This is a purely distance learning course with no regulated course activity or examination conducted in HK)
Both courses meet the academic requirements of the RICS
- **BSc in Construction Management** (University of Reading)
(This is a purely distance learning course with no regulated course activity or examination conducted in HK)

It is a matter of discretion for individual employers to recognise any qualification to which these courses may lead.



These courses start in December 2002. Applications should be received by 15 September 2002.

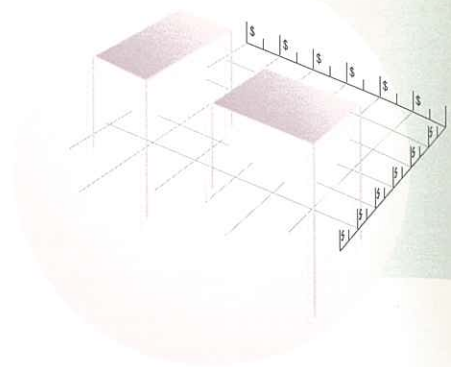
Web based resources have now been developed to support our existing distance learning materials. Visit our website at www.cem.ac.uk



For further information, please contact:

British Council - Distance Learning Programmes, 3 Supreme Court Road, Admiralty, Hong Kong
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GENERAL PRACTICE DIVISION

Alexander Lam, Chairman

Revision of Hong Kong Guidance Notes on Asset Valuation Standard

A working group to review, inter alia, the matters shown below had been set up, the first meeting of which was held on 13 August 2002 and chaired by Mr K K Chiu.

- (1) Comments on International Accounting Standard 40
- (2) Review of the HKIS Guidance Notes on Valuation of Property Assets (i.e. purple book)
- (3) Deliberation of incorporating the International Valuation Standard into the Guidance Notes
- (4) Comments on the final draft of RICS Appraisal and Valuation Manual

Publicity Steering Group

In the last Divisional Council Meeting the issue of gaining wider publicity was brought up and was hectically discussed. Consensus was unanimously reached that GPD should play a more active role in addressing real estate matters that were of concern to the public at large. A steering group was formed on 16 July 2002. A number of interesting topics were proposed and a budget for a survey was approved and it is on the verge of being put into action.

Volunteers to assist in the coordination of the survey are most welcomed. Please contact your Hon. Secretary, Serena Lau at 2735 2884 or e-mail to her at info@rhl-int.com. Thank you for your kind support.

Independent Valuer Lists

HKIS is in the process of updating the list of Independent Valuers (IV). From time to time the President has to nominate valuation practitioners to take on valuation cases referred to by various different channels. The requirements to be admitted into the IV list are as follows:

- (1) A Fellow or Associate membership of HKIS.
- (2) 10 years post-qualification experience in Hong Kong.
- (3) The immediate past 5 years experience should mainly involve property valuation.
- (4) Not having been sued successfully for professional negligence in the past.

If you are competent and comply with the above requirements, you may submit an application in a specified form to the HKIS before 30 September 2002.

Visits

Representatives from the GP Division participated in a visit to Guangzhou from 22 to 24 August 2002 under the leadership of Francis Ng, chairman of Mainland Committee.

Motivated by a strong enthusiasm, Francis Ng led a separate delegation to a conference on Sustainable Development Strategy in Dalian from 25 to 27 August 2002. This conference was jointly organised by the Ministry of Land Resources and HKIS.

The Office Bearers and Sub-committee Members Lists

Your Council Members are very dedicated to the promotion of Divisional Affairs with a keen participation on a wide range of functional sub-committees or working groups. The following is an update to show who is doing what.

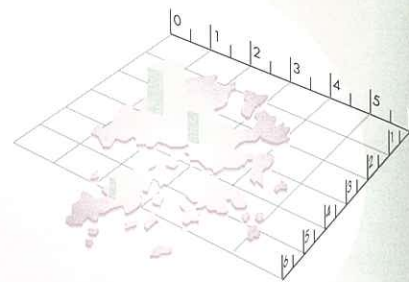
Sub-Committee	Name of Office Bearer
Chairman	Mr Alexander Lam
Vice Chairman	Mr Simon Lai
Hon. Secretary	Ms Serena Lau
Hon. Treasurer	Mr Francis Lam
Asia Association of Surveyors	Mr K K Chiu

Board of Education	Mr Michael Price, Mr Rock Tsang
Property and Facility Management Committee	Mr Michael Price, Mr Simon Cheng
CPD Committee	Mr Wilson Siu
Direct Professional Access to Barristers	Mr George Liu
Education, Membership & APC Committee	Mr Rock Tsang
International Committee (General Council)	Mr Tony Tse, Mr K K Chiu, Mr Simon Lai
Representatives from Junior Organization	Mr Tony Wan, Mr Ronald Cheung, Mr Jim Yip
Land Registry Customer Liaison Group	Mr K K Chiu, Mr C K Lau
LBAC	Mr Tony Tse
LBAC Land Sub-Committee	Mr K L Leung
LBAC Planning Sub-Committee	Mr Francis Lam
Local Affairs Committee	Mr C K Lau
Professional Indemnity Insurance Working Group	Ms Serena Lau
Professional Practice and Standard Committee	Mr Simon Lai
Professional Services Development Assistance Scheme	Mr Bernard Chan
Public Relation, PRC and International Affairs Committee	Mr Alexander Lam
Reciprocity Agreement Working Committee	Mr Alexander Lam, Mr Tony Tse, Mr Francis Lam, Mr Francis Ng, Mr Simon Lai, Mr Charles Chan, Mr Jonathan Li, Ms Serena Lau
Surveyors Registration Board	Mr Kenneth Pang, Mr K K Chiu
Web Site Management	Ms Catherine Pang, Mr George Liu

Continuous Professional Development (CPD) Events

Date	Distinguished Speaker	Title / Topic / Events
19 Aug 2002	Ms Ophelia Wong, Assistant Director and Ms Brenda Au, Chief Town Planner, Planning Department	Review of Master Schedule of Notes to Statutory Plans
28 Aug 2002	Professor LIU Hong Yu, Director of the Institute of Real Estate Studies, Tsing Hua University	大陸房地產服務業的現狀與機會
Oct 2002	Mr Michael Price, Group Estate Manager, Swire Properties Ltd	Outsourcing Facility Management in Hong Kong

Members are welcomed to send your views and comments to the Hon. Secretary, Serena Lau or e-mail to me at alexander.lam@dtz.com.hk. ☎



LAND SURVEYING DIVISION

Wong Chung Hang, Chairman

The LSD Website

The Institute is about to complete a major revamp of its website. A Working Group had been formed a few months ago to collect and finalise all the materials to be placed on the new LSD Website. The Working Group will also be responsible for looking after the continual maintenance of the LSD Website. Members of the Working Group are as follows:

Wong Chung Hang (WCH)	Chairman
Lam Li Wah (LLW)	Vice-chairman
Chu Fei Man (CFM)	Secretary
Chau Ming (CM)	Members
Kwok Chi Wo (KCW)	
Chan Yue Chun (CYC)	
Chan Siu Bun (CSB)	
Leung Kin Wah (LKW)	
Ng Wai Tak (NWT)	
Cheung Wai Man (CWM)	
Rina Tsoi (RC)	
Sarah Chan (SC)	
Cheung Yue Yan (CYY)	

The LSD Website gives an account of how LSD is functioning. It also contains for members' information some of the legislation and guidance notes as well as the technology being employed and developed by the profession in Hong Kong and other countries. It is our onus to provide laymen and professionals around the world with the most up-to-date information about the land surveyor's work in Hong Kong. Should you have any suggestion or feedback for the LSD Website, please do not hesitate to contact members of the Working Group according to the following division of responsibilities:

About LSD:

LSD History (WCH & CFM)
LSD Council (WCH & CM)
LSD Standing Committee (WCH & CM)
Guide to LS Professional (CM & CFM)
Member List (CM & CFM)

What's New: (CM & CFM)

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Message from LSD Chairman (WCH)
CPD Events (LKW)
Local Conference (LKW)
Overseas Conference (CYC)
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Photogrammetry & Remote Sensing (CWM)
Engineering Survey (LKW)
Hydrographic Survey (CYC)
Cadastral Survey (LLW)
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Topographic Survey and Digital Mapping (CWM)
Cartography (CFM)

Professional Development:

Assessment of Professional Competence (KCW)
Continuing Professional Development (LKW)

Publications:

CPD Presentation (LKW & CFM)
HKS Journal LS Articles (CM & CFM)
Conference Papers (LKW & CFM)
Other Technical Papers (CFM)
Research (CYC)

Legislation: (CSB)

Technology:

Land Surveying (KCW)
GIS and Spatial Data Development (NWT)
IT News (NWT)

Useful Information:

Land Survey Authority Circulars (CSB)
Other Practice Notes (CSB)

Useful Links: (CWM & CFM)

Contact us: (CFM)

Q & A: (CYY & LLW)

LSD Golf Tournament 2002

The LSD Golf Tournament 2002 was successfully held on 9 July 2002 at Palm Island Golf Club in China. Members and friends had a wonderful time sharing their experience in golf.

Congratulations to the following members:-

Champion (Best Gross Score)	Mr Jacky Tull
Champion (Best Net Score)	Mr WONG Thien Nyen
1st Runner-up (Best Net Score)	Mr TANG Wing Lun
2nd Runner-up (Best Net Score)	Mr Henry Chan
Longest Drive	Mr Henry Chan Mr Frankie Yip
Closest to Pin	Mr Jacky Tull

Once again, thank you for your support and participation in our social event.



"Best of the Best Golfers"

(from left to right)

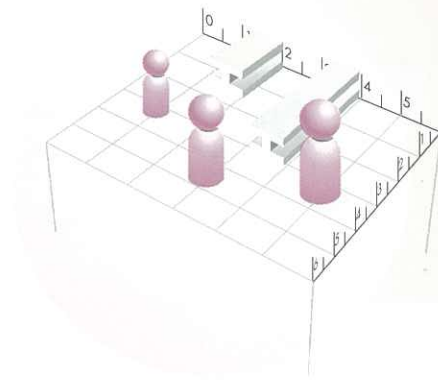
Miss Martina CHAN, Miss Jessica LEUNG, Mr WONG Chung Hang (LSD Chairman), Mr Frankie YIP, Mr TANG Wing Lun, Mr Ted CHAN, Mr SUNG Hon Kwong, Mr SIU Wai Ching Dominic & Mr LAM Li Wah (LSD Vice-Chairman)



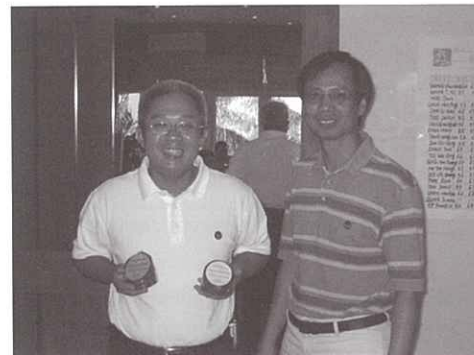
"Winner of Longest Drive"

(from left to right)

Mr Henry CHAN & Mr Jacky TULL



"Winner of Longest Drive"
(from left to right)
Mr Frankie YIP & Mr Jacky TULL



"Winner of Closest to Pin"
(from left to right)
Mr Jacky TULL & Mr Lam Li Wah (LSD Vice-Chairman)



"Winner of 1st Runner-up : Best Net Score"
(from left to right)
Mr CHAN Hon Ping & Mr TANG Wing Lun



"Winner of 2nd Runner-up : Best Net Score"
(from left to right)
Mr Henry CHAN & Mr WONG Chung Hang (LSD Chairman)



"Our Champion : Best Net Score"
(from left to right)
Mr WONG Thien Nyen & Mr WONG Chung Hang (LSD Chairman)



"Our Champion : Best Gross Score"
(from left to right)
Mr Jacky TULL & Mr WONG Chung Hang (LSD Chairman)

QUANTITY SURVEYING DIVISION

Nelson CHENG, Chairman

Jilin Province CECA 吉林省建設工程造價管理協會 visited HKIS on 15 August 2002

The CECA branch of Chi Lin Province 吉林省建設工程造價管理協會 sent a delegation to visit HKIS on 15 August 2002, thereafter they visited Levett and Bailey's office and the City University of Hong Kong.



CPD

The visit to IFC Two site has been postponed to 28 September 2002. The visit will mainly be to see the 88-storey steel structure main tower.

Planned CPD events include the following:-

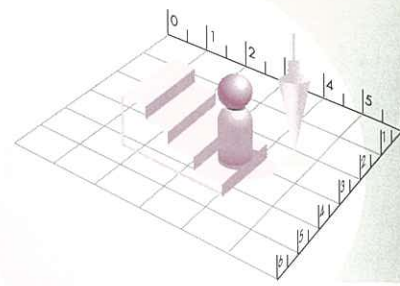
14 Sept 2002	HKIS Conference - Introduction of Mediation - Mr Colin Wall of HK Mediation Council - Mediation Case Study - Mr David Avery of MTRC & Mr Brian Rawling of BERA
17 Sept 2002	Post-WTO Property Market in China - Mr Howard Huyue Zhang
28 Sept 2002	Technical Visit to Two IFC Construction Site - Mr Johnson So
Oct/Nov 02	Introduction to Construction Arbitration Practice - Appointment of Arbitration, Preliminary Meeting and Interlocutory Applications - Mr H F Leung

2002 APC

The 2002 APC will be carried out on 19 and 20 September at the HITEC. The interviews of candidates who failed in the previous year's interview will take place on 2 and 3 September.

The Proposed design and build Government Headquarters at the Tamar site

As members may already know, the Expression of Interest from contractors was invited by the Government in July. The project comprises 3.53 million square feet construction area and the estimated construction cost is around HK\$5 billion. It is planned that five contractors will be selected to submit a design and build tender by the third quarter of next year. I estimate that each tenderer will be spending around \$15-\$20 million tender cost to bid for the project. Therefore, the probable bidding costs spent by the industry will be up to \$100 million of which a major portion will be from the overseas design Architect. This is a quite significant cost and four-fifths of this money will be wasted when only one design will finally be selected. There comes a question whether a 'design and build' tendering method is suitable for such a big scale special purpose development. ■



JUNIOR ORGANIZATION

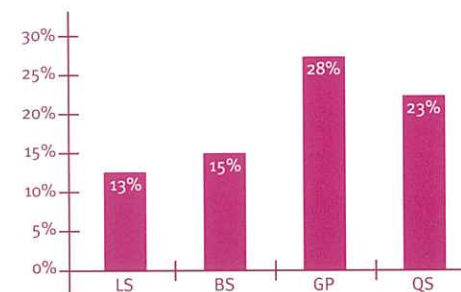
Jim Yip, Hon. Secretary

The Changing Landscape 巾幗不讓須眉 Divisional Spread

Female surveyors are on the rise

Let the figures do the talking: 23% of our members including corporate and student members are female. With a higher percentage of female members in the student group and their relatively higher passing rate, we can envisage that female members in HKIS will increase significantly in the coming future.

In JO we take the first step to reach out and promote a member group that are underrepresented in the Institute. We push for a more balanced image for this profession.



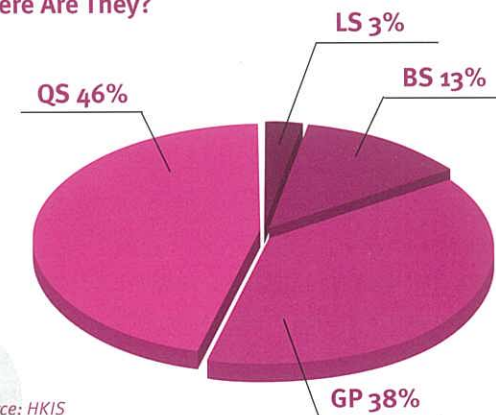
Source: HKIS

% of Female Members



Source: HKIS

Where Are They?



Source: HKIS

Last month, JO talked to six of our young female members and asked them what made them choose surveying and how they felt about the career.



An interview with a surveyor on a high school assignment changed **Virginia Cheung's** plan for further study and her career path. She interviewed a quantity surveyor for her report on Hong Kong Professionals and the rolls of building plans on the surveyor's desk caught her attention. "I realised there was another

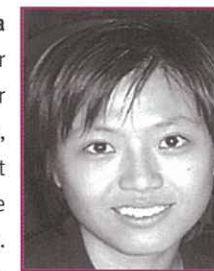
profession, besides architect, that played an equally vital role in the construction process." After graduation from HKU surveying in 2000, she joined Jones Lang LaSalle as a management trainee. In the past two years she has worked in various departments - valuation, property management and currently in the Global Client Services Team providing comprehensive real estate services to multi-national companies.

A classmate to Virginia, **Kevinn Lau** of Swire Properties, picked the building surveying stream. She is currently working in the building management



department of Festival Walk, the largest shopping mall in Kowloon. She expresses that she has not encountered any particular problem in her work and it is quite common for females to enter into this profession.

Currently a graduate trainee in BSD, **Elsa Lam** did not have many struggles with her career choice. She thinks surveying is her dream job. She likes the outdoor work, with lots of interaction with different people. Compared with other office works, her current job is far from boring. Being a female in a largely male-dominated industry, she thinks she enjoys some advantages. "At least people are treating us much nicer and the job competition tends to be lower," she says.



Flora Chan graduated from HK Polytechnic University last year and she is now a quantity surveying trainee with Levett and Bailey. She picked surveying because of a family tradition - some of the members are working in the construction industry. "I don't think we unable to perform as well as our male counterparts in the construction industry, in fact there are many examples of successful female surveyors." In Levett and Bailey she learns many practical skills like project management system and financial control. "The most rewarding experience of the job is that you can see a good result if you follow the steps and do it right," she says.

In Flora Chan's interpretation, **Monique Leung** can be classified as a successful quantity surveyor. She is now a claims consultant with James R Knowles. Having previously worked for a QS consultant firm and developer, she has profound experience in contractual management. She can see the contractor's inflexibility;



she can also well understand the developers concerns on cost and time, and combining the skills of both, she can design a best strategy for both parties to resolve the contractual dispute.

Asked if any dangerous stunt is ever experienced on the job, land surveyor **Winky Wai's** story was the most impressive. In 1998, she was lifted up to some 200m high to the top of Tin Kau Bridge Tower. Her mission was to check the position of stabilizing cable which anchorages the tower bridge. Backed by her numerous field surveying experience since graduation from Poly U in 1997, the job was not Mission Impossible for her.



The above six members represent some of our finest female members in HKIS. They are gifted, confident, hardworking and share a common passion for outdoor work - a unique feature of the surveying career.

The JO team has got a plan to encourage more female members to be involved in JO affairs. Given their significant and rising share of membership in the Institute, we think they should have a share of limelight in our JO coverage.

We designate the month of December as **Female Surveyors Month** in which all our PQSL/CPD events will be chaired by female speakers.

For our members' interest, we have re-designed the PQSL program and we will run a special theme in each month's course series: August (GP topics) - **The Real Property**, September (BS topics) - **The Clean Approach**; October (LS topics) - **New Horizon**, November (QS topics) - **Cost and Contract**, December (Female Surveyors Month) - **Home Pudding**.

Watch out for our circular on December events! If members are interested in assisting us on the PQSL program in December, please don't hesitate to contact our convener Justin Wong at justinwhm@hotmail.com

Rich Pickings

Freddy tells what he learns from his summer job.

During this summer holiday, I got a chance to work for a developer. This was an invaluable chance for me to learn and experience what General Practice surveyors do in their daily work. In this company, the property department had two divisions. One was development and the other was leasing. Before I started this summer job, I could not imagine there were so many practical techniques that could not be learnt merely through textbooks. For example, during my training period, the development division had a new residential building for selling. I found that the surveyors, apart from calculating the selling prices, also need to monitor the flow of selling. The leasing division mainly tackled leasing matters and their leasing tactics were very interesting - again such knowledge could not be acquired from books only. On the other hand, I had made a lot of friends in the company. They were very friendly and we always had meals together. Those were very invaluable memories to me. After this summer job, I really think that practical training experience is very important for surveying students and I would strongly recommend them to gain this experience through different ways. I have an idea: senior surveyors please recommend your companies to open up more summer or part-time trainee openings for surveying students as this is a very effective way for us to gain useful working experience. It will then be easier for us to catch up with the demand of practical working environment when we graduate. Finally, I must thank the company for giving me these invaluable memories.

JO's Note: Freddy is the current chairman of HKU Surveying Society. During this summer, apart from working as a trainee in a listed developer, he was also busy in planning an orientation program for the faculty's incoming students - our surveying new blood. We believe this summer job experience not only has provided him with valuable insights in his career development, but also empowered him with new skills and confidence in his leadership in one of the most energetic and forward-looking student bodies in HKU.



Freddy's (the first one on the right) Farewell dinner with colleagues

PQSL Events Report

Acquisition by Patience and Legislation

Team work at play

Despite a significant property price drop in recent years, land resumption in urban area for redevelopment remains a hugely expensive, if not prohibitive, and time consuming exercise. Swire Properties had sunk in millions of dollars and spent over 10 years in acquiring one industrial building in Quarry Bay. The painstaking exercise only came to a fruitful conclusion in June this year, thanks to one Bill - the Land (Compulsory Sale for Redevelopment) Ordinance. After obtaining the first-ever Order for Sale under the Ordinance, the developer acquired the remaining few units held by the minority owners in Melbourne Industrial Building.

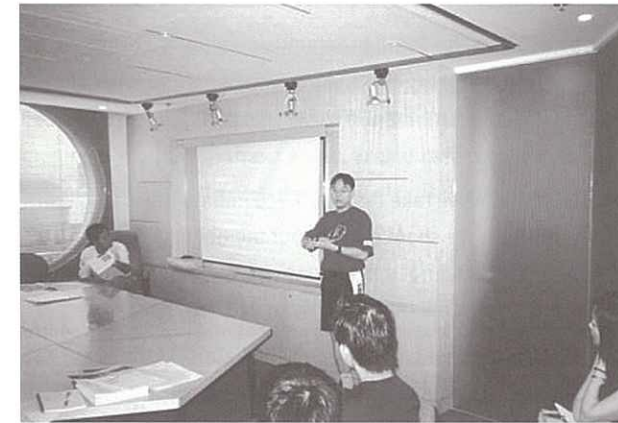
"The Bill has lowered the trigger point of resumption from 100% to 90%. If we had acquired 90% ownership of the building, we would have the right to obtain from the Court for the Order for Sale," says Alan Cheung, development manager of Swire properties, in a PQSL on 20 July. "This has completely changed the game plan and pushed for more transaction liquidity and quicker settlement. Owners could no longer simply sit and wait to be the last selling owner and demand a huge compensation from the developer."

The talk at the HKIS office had drawn in a large crowd, with every seat being taken up. The presentation was carried out by a trio team - Alan, Benson Lee and Victor Ng. Alan first outlined the development case background and challenges faced by the developer while Benson Lee explained on the mechanism and the statutory procedures prior to applying the Order for Sale. Victor Ng, the youngest presenter and an APC candidate this year, analyzed the impacts of the Ordinance and its pros and cons. A bonus to all APC candidates, he compared the Land (Compulsory Sale for Redevelopment) Ordinance with the Land Resumption Ordinance. It was a splendid presentation.

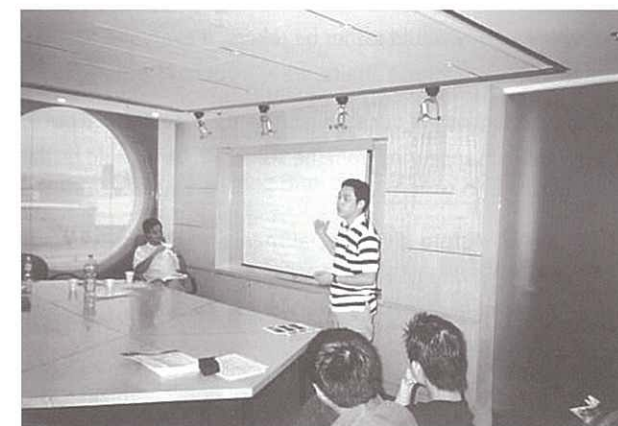


Alan Cheung

"The Ordinance has two positive effects for the society on the whole: first, it speeds up urban regeneration as it has dealt a blow to greedy owners; second, it encourages more active participation of private money in this process, saving the much-needed public resources," summed up Alan.



Benson Lee



Victor Ng

JO's note: We particularly like this kind of presentation where we see a great team working at play and young surveyors having the opportunity to gain exposure. We are grateful to Alan whom always gives generous help and encouragement to young members. We know that part of his objective of the talk was to provide his young teammates with a training opportunity on presentation skills. He has made a good choice. There is no other training opportunity on presentation skills better than giving a PQSL talk to our 40 keen members.

For the same reason, may we also extend our gratitude to Mr Raymond Chan, chairman of BSD, Mr Kent Fong of DTZ Investment and Mr K H Yu of CB Richard Ellis. Raymond had brought in his young colleagues to co-present the two PQSL events in June. Kent, who teamed up with young surveyor, Andy Law, presented a very

comprehensive review of investment strategies for various properties in April. Mr Yu was highly appreciated for his persistence in working together with young members in our Newsletter.

The CM Concept

CM Mo offered a smart tip in a premium assessment case

CM Mo is a man who likes wins, big wins, no matter whether in his career - a glorious one of over 30 years in the Lands Department where he had risen from the ranks to deputy director before his retirement in 1998; in horse racing or even in the training for the young surveyors.

We had never seen a scene like this in our previous PQSL sessions: student members thronged into the HKIS conference room and many of them had to stand elbow to elbow. But all were absorbed in his talk on valuation skills.



CM Mo

The valuation case was a tricky one, involving lease modification and premium assessment for a former cinema site in Kowloon City. As the case background started to unfold, there were more challenges for the valuer: original lease clause interpretation vs. latest legal proceedings, plot ratio assumption for the proposed mechanical carpark, market comparables and finally a negative premium valuation (How could that be?)

Knowing how to benefit the audience most, Mr Mo divided the students into several study groups and engaged them into a heated debate on the valuation approach for 30 minutes before disclosing his method used.

The talk was very impressive and entertaining. Read his full case study material on our JO Website: <http://devoted.to/hkisjo>

Other events



Paul Cheng, speaking on The Demolition Practice in HK



Tony Leung, his second PQSL talk on Arbitration and Mediation

The PQSL Schedule for October

Date	Topic	Speaker
5 Oct	Land Boundary Survey System	Siu Wai Ching, Dominic, Lands Department
12 Oct	Land Survey Related Ordinances and Land Administration	Y C Chan, Lands Department
19 Oct	Insurance for Construction Business	Insurance Broker (to be confirmed)
26 Oct	Ultimate Solution to Pest Invasion	Pest Control Specialist (to be confirmed)

Thought for the Month - Flame Out

Martin hits out at the chronic problem within Junior Organisation

We have a very successful educational program this year, over-subscription of each PQSL was a regular feature. But we became the victims of our own success.

Every week we roll out a PQSL program to meet the insatiable appetite of our student members. With a dearth of helpers, the

heavy burden lies upon only a few JO members. In most of the events we play several roles - organizer, promoter, doorman, cashier and cleaner afterwards.

But there are more hard works behind the scenes. We spent time chasing speakers and sometimes the experience of which is nothing but a frustrating business - we got more rejections than offers. We spent time preparing PowerPoint and presentation materials for the speakers so that we could cut their preparation time.

Please note that the PQSL program is a voluntary program, all organizers and speakers are working entirely on a voluntary basis, giving up their leisure time. We do not get paid and instead we sacrifice a lot.

One may ask why we take the trouble to initiate these programs. Simply, because we share most of our members' frustrations on APC, frustrations on not getting enough training and help from the Institute. We think that should not be the way.

One important message from this year's effort is that if we can join together we could change that. This is much better than grumbling and doing nothing about it.

But not many of our JO members are willing to offer themselves in serving JO, they would rather be takers. If everyone has this attitude towards Institute affairs, we will not have progress.

Having seen so many of our enthusiastic members burned out in JO affairs and disappearing from the scene, I doubt I could be the next one.

JO's note: We wish to give special thanks to Martin Leung of Chesterton Petty, who gave up most of his private time and helped to organise over 17 PQSL/CPD events for JO this year. A tremendous contribution!

Tony Wan, JO Treasurer: Martin, there is always a problem in the shortage of helpers. It happens not only in JO but the entire HKIS. Notwithstanding that, don't give up. JO or even the Institute needs an energetic member like you.

Justin Wong, PQSL convenor: We should give more encouragement to our dedicated JO members, especially those who turn the plan into a reality and the unbelievable into the possible.

Join JO

We are now recruiting enthusiastic members for 2003 JO committee. Power your knowledge, leadership and network into the profession, JO participation is an enriching experience. Interested members please contact Sunny Chan at sunny.chan@hld.com

INTRODUCTION TO THE STANDING COMMITTEE ON PROPERTY AND FACILITY MANAGEMENT



Michael Roland Price, MSc Facility Management, FHKIS

This committee has been set up to further the interests of HKIS members working in these fields. Among our aims over the coming 2 years will be to create a vibrant and active group of members working in these areas, and to care for their needs in respect of development and training etc. The current committee members are:-

Chair:

Michael Price - Group Estate Manager, Swire Properties Ltd

Vice Chairman:

Gary Yeung - Assistant General Manager, Shui On Properties Management Ltd

Members:

Angel Kam - Senior Director, FPD Savills Property Management Ltd

Kenneth Chan - Managing Director, DTZ Debenham Tie Leung Project Services Ltd

Gary Cheung - Property Services Manager, Housing Department

Martin Woods - Area Manager (Asia Pacific) ED&C, NCR

Daniel Hui - Director for Property Department, The Salvation Army

Edward Law - Senior Associate Director, DTZ Debenham Tie Leung Project Services, Property Management Ltd

Paul Ho - Associate Head, Division of Building Science & Technology, City University of HK

Jimmy Wong - Managing Director, Kai Shing Management Services Ltd

We have met three times and are currently looking at issues such as the promotion of surveyors in the property and facility management field, communication with members, and reviewing long-term training needs. Certainly we see a need to serve members, better than in the past and if you feel you can contribute please call me at 2535 1441. We need a few more committed members to help. The General Council has also recently approved a new terms of reference

Terms of Reference

- * To gain public recognition that Surveyors are one of the main professionals in the field of Property and Facility Management and Property Maintenance.
- * To proactively comment on SAR Government policy and practice in Property and Facility Management and Property Maintenance.
- * To develop and maintain a vibrant group of members within the institute dealing with Property and Facility Management.
- * To develop HKIS Codes of Practice in Property Management and Maintenance.
- * To provide CPD training in the Property and Facility Management field to members.
- * To review members' training criteria, so that there is an adequate trained number of members dealing with Property and Facility Management within the HKIS.

To help form the way forward we will be getting together with members working in the property management and facility management fields, and holding a lunch meeting in September or October in the World Trade Centre Club, to better understand members' needs. Details will be circulated. To help us organise for the future, we would also ask that members working in these fields fax back their details to us on the form enclosed with this edition of "Surveying". Please do spend a few minutes of your time. It is very important.

We look forward to getting to know you.

Definition of Facility Management

Facility Management can be described as "the management of nine core business functions". The RICS amongst others includes the following:-

- * Building Management
- * Business Relocation
- * Business Support
- * Outsourcing
- * Property Management
- * Asset Management
- * Strategic Planning and Advice
- * Support Functions
- * Corporate Real Estate Functions

CONGRATULATIONS TO THE FOLLOWING WHO WERE ELECTED AS HKIS MEMBERS ON 15 AUGUST 2002

FELLOWS (3)

GP DIVISION

CHAU KWONG WING

QS DIVISION

HO WUN FUN RICHARD

WAN WAI KUEN

ASSOCIATES (8)

BS DIVISION

LEE KAM SING

YEUNG KA LUN ALAN

GP DIVISION

LEE ALLAN PETER

POON WING CHEUNG

LS DIVISION

CHAN YUN LOCK LUKE

KWOK KING HUNG

TSUI HOI YUEN

QS DIVISION

SEAH CHI NAM JARROD

REINSTATEMENT (1)

WHEATMAN, CHARLES HUGH (GP)

RESIGNATIONS (12)

BYRNE, MICHAEL JOHN

CADMAN, ANNA FRANCESCA

CHEUNG WING PUI

CHOW KIN KEUNG

CHUI CHUN WA

CROCKFORD, BRIAN JOHN

DE JAGER, MARK HENRY

HOLGATE, CLIVE GEORGE

KEOWN, KEITH

KONG CHUN KAU

NG KAM WING

TANG KWOK HUNG

Honours List 2002

Congratulations to the following members who were accorded an award by the HKSAR Chief Executive in the fifth Honours List since the reunification.

Mr Robert Douglas POPE, JP

Mr Pope was awarded the SBS (Silver Bauhinia Star) for his meritorious and dedicated service to the Government, particularly in the evolution of land administration policy. He retired as Director of Lands after serving 32 years with the Government.

Mr WAN Man-ye, JP

Mr Wan was awarded the BBS (Bronze Bauhinia Star) for his exemplary public and community service in Hong Kong, particularly his work with the Hong Kong Housing Authority and in elderly and youth services.

BRAND-NEW HKIS Website COMING SOON

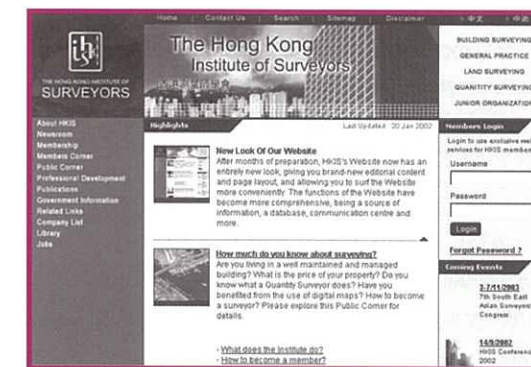
The Institute is about to launch a brand-new website in a short period of time. It not only gives an account of how the Institute is functioning, but also contains information to laymen and professionals about the surveyor's work in Hong Kong.

The new website is a source of information, a database and a communication centre. Discussion Forum allows members to exchange their views on specific topics. E-booking of CPD allows members to make reservations for events conveniently. Jobs provide members with job opportunities. Web Mail strengthens the tie among members by efficient communication of news and reduces paper consumption. What is more, with the implementation of the Library's search function, you can search publications online before making a visit to rent books from the HKIS Library at Jardine House.

Each Division will have its own homepage with special features. "Quiz to LS" on Land Surveying Division gives the public a better

understanding of the Land Surveying profession, while "Technology" keep members abreast on IT and LS technologies. With increasing public concern on building safety and maintenance, the Building Surveying Division has a Q & A section on "How can we help you". The Quantity Surveying Division provides construction law articles and papers of interest for members to download; while the General Practice Division has a detailed description on the profession's areas of specialization. The Junior Organization comprising young and energetic members of the Institute will show off their colourful student and social life online.

Other common features provided by the Divisions are research and conference papers. Some divisions will put meeting minutes online, so council and committee members with a password can access meeting minutes anywhere, anytime. ☑





CHANGING GEAR

As the Hong Kong property market is gearing up for the Real Estate Investment Trusts (REITs) development, a brighter day for real estate professionals is hot on the heels

Jip Yip, AHKIS, MRICS, Senior Manager, BNP Paribas Peregrine



At 6 a.m. on 17 July, there was already a long queue outside the office of Shanghai International Investment and Trust Co. Ltd. at Jiuliang Road. The first Property Trust in PRC - The New Shanghai International Building Investment Trust was put on sale today. Lured by the Trust's high yield of 4% p.a., much better than the banks' deposit rate of 2% p.a., local investors snapped up all the units of the new RMB230mn property trust in a short time.

On the same day, the first Singapore Real Estate Property Investment Trust (S-REIT) - CapitaMall Trust was listed on the Singapore Exchange, signaling the trend that real estate securitisation has been put firmly in place in Asia. Japan and Korea both had successfully launched its own REITs last year.



REITs developments in the region

Country	Year for the REITs law implemented	Year for the first REIT	No. of REITs launched	Issuers
Japan	May 2000	September 2001	3 J-REITs	Mitsui Fudosan Co., Mitsubishi Estate Co. and Mitsubishi and UBS
Korea	July 2001	January 2002	2 CR-REITs	Kyobo-Meritz and Kocref
Singapore	May 1999	July 2002	1 S-REIT	CapitaLand

Source: BNP Paribas Peregrine

CapitaLand, the largest developer in Singapore, attempted to issue the first S-REIT comprising three shopping malls in November last year, but was forced to withdraw it due to lacklustre demand from retail investors. In its re-launch this time, it cut its offering from S\$740mn to S\$134mn and offered a much higher yield at 7.2% against 5.75% back then.

Thanks to the low interest rate environment and volatile equity market, investors from Singapore to China are increasingly looking for high yield with stable earning investment vehicles.

But unlike Singapore, China has not developed a REIT market. The New Shanghai International Building Investment Trust in Shanghai is not a REIT. In fact, it is nothing more than a mortgage agreement, backed by the asset of the commercial building in Lujiazui financial zone, Pudong. Investors, or in this case, called lenders, only receive the principals plus interest payments at the end of a three-year investment period, but not any capital gains from the property asset. They do not assume any risk in the property vehicle.

Given that the traditional fund-raising options i.e. bank loans and equity market, are not widely available for the local Chinese property developers, the new investment trust structure provides an alternative and much needed source of capital for them.

Singapore developers are also chasing for capital, but for de-gearing purpose. Compared with Hong Kong developers whose net gearing ratios are below 30%, Singapore developers have a much higher net gearing ratio, at over 100%. The moribund property market in Singapore has imposed a need for developers to divest and improve return to shareholders.

Legislation has played a pivotal role in fostering exciting developments in these two markets. The Chinese Trust Law only came into force in October 2001 while Singapore enacted the legislation for the REIT structure in May 1999.

Major guidelines for S-REITs

Definition of a property fund

Permissible investments	Real estate investments in or outside Singapore, securities, government securities, listed or unlisted debt securities and financial derivatives
Restrictions and requirements on investment activities	<ul style="list-style-type: none"> - At least 35% of total assets in real estate by way of direct ownership or shareholding in real estate companies - At least 70% of total assets in real estate and real estate related assets - Cannot engage in property development activities, unlisted property development companies, vacant land and mortgages
Diversification of investments	Must be reasonably diversified
Manager of a property fund	<ul style="list-style-type: none"> - Each fund must appoint a manager The manager must: <ul style="list-style-type: none"> - have at least 5 years of experience in or managing property funds - must appoint an adviser or employ a person having at least 5 years experience in investing in and/or advising on real estate - must hold an Investment Advisor License if he undertakes management of a portfolio of securities for investment purpose
Borrowing Limit	Should not exceed 25% of total assets
Valuation	<ul style="list-style-type: none"> - A full valuation once a year - When issuing new shares, a revaluation is required - An authorised valuer - Valuer must be independent to the Fund, not receiving payments excluding valuation fees more than S\$200,000 aggregated in the same financial year from the Fund - A valuer cannot value the same property for more than 2 consecutive years - In case of acquisitions, a price must not be more than 110% of the valuation - In case of disposals, a price must not be less than 90% of the valuation

Source: Monetary Authority of Singapore (<http://www.mas.gov.sg>)

A REIT is a pure property play, where investors buy a trust, which holds various buildings. Investors are paid a yield each year based on rental incomes. Meanwhile no earnings are retained by the trust. The buildings in the trust are revalued every year, and it is thus the most transparent property vehicle an investor can own, with investors having access to every detail of leases and their expiry dates. Unlike a listed property company, it doesn't undertake any development activities.

It is noteworthy that the introduction of REITs is a move that is important for the further development of our capital markets. REITs represent an interesting new asset class that provides investors the opportunity to own a part of a pooled property investment by way of a single security transaction, in a vehicle with transparent, regular price discovery. They offer the potential for investors to share in the benefits of a dividend yield and gain from the potential upside in value.

Given that much of the current stock of prime properties is held by property developers, investing in property assets will undoubtedly become more accessible to the general public through REITs. A diversified REITs portfolio, even one based on assets from the same cluster of real estate, will reduce the reliance on single property and tenant, a feature which compares favourably to directly owning real estate.

On the international front, REITs and similar products have proven to be quite popular. In the U.S., the REITs market experienced significant growth, especially over the past 10 years. As at December 2001, there were 182 REITs in the U.S. with a market capitalization of about US\$155 billion. In Australia, where REITs are known as listed property trusts, this range of product is currently ranked the fifth largest sector on the Australian equity market. It has grown in market capitalization from A\$5 billion to A\$44 billion since 1992.

While most of our neighboring countries have jumped on the bandwagon of REITs development, Hong Kong is playing a catching up game. The major hurdle is lack of the legal framework on REITs.

At present the Securities and Futures Commission (SFC) has no guideline regulating REITs but unit trusts and mutual funds are prohibited from direct real estate investment.

According to the Code of Unit Trusts and Mutual Funds 7.14, a unit trust scheme may not invest in any type of real estate (including buildings) or interests in real estate (including options or rights but excluding shares in real estate companies).

The drafting of the REITs guidelines and consultations with related professionals are now underway by the SFC.

Why is there a change of attitude towards REITs development by SFC? First, the experience from other markets has shown that

REITs have helped inject new liquidity into the property market. Using the REITs structure, banking corporations in Japan and Korea have a new alternative to dispose of non-performing property loans. Without directly selling to the market, the REITs helped halt the price fall and revive the property market.

Second, the Hong Kong Government has indicated its intention to push Hong Kong as a regional real estate fund center. A thriving local REITs market is a testament to its success.

Third, perhaps most important, the Hong Kong real estate market is becoming more mature, characterized by the stable price and soaring yield exhibited in most of the investment properties. The property market has now changed from capital play to yield play, as property investors are chasing good quality, well-managed and high yield properties.

However, the lumpy and illiquid characteristic of property investment discourages interests from a large number of investors. As a result, notwithstanding property prices have fallen by 60% and yield risen to 7-8%, investment activities are still lukewarm this year.

"To revive the property market there must be a first and utmost criteria - a recovery in liquidity. Given the attractive yield play story in Hong Kong property, our market has a great potential to become institutionalized, just like other world cities like London, New York and Sydney," says C K Lau, head of Jones Lang LaSalle Valuation Advisory Services and Capital Market.

CK cited that the existing Mandatory Pension Fund (MPF) investment guideline should be relaxed to include direct property investment and it would bring in more institutional investors to the property market. "The REITs development is an important step for Hong Kong. Compared with direct ownership, the REIT vehicle will be more attractive to pension funds as it avoids the hassles of day-to-day property management."

Since its introduction at the end of 2000, MPF schemes have now amassed HK\$47 billion in total net assets, monthly contributions currently totaling about HK\$2 billion a month. Although it is still relatively small in size, the property market will benefit if a portion of MPF's assets can be channeled to the property market.

The long-term future is even rosier. It was estimated that the MPF's accrued assets would grow to about HK\$959 billion in 30

years, with the annual contribution growing to HK\$60 billion by then.

Given that Hong Kong has already a well-established capital market for property companies, one would doubt if a REIT vehicle could fare better than the blue-chip property shares. Amongst all the challenges faced by the REITs, this is the most difficult one. Some of our property companies have already exhibited features of a REIT: strong management, focused portfolio, large rental earnings and high dividend yields.

REIT's liquidity is another concern, as low liquidity would deter investor's interests and dampen its further development.

The real estate industry has an important task to educate the public about the difference between investments in REITs and in property companies' shares.

For a good start, ideally, the first REIT should have a total asset value of over HK\$3-5 billion and rental revenues not less than HK\$ 400-500 million. A large capitalized REIT would help draw in bigger market attention.

The Housing Authority is now studying a proposal to dispose of its commercial portfolio of 200 shopping malls. One of its options is setting up a REIT by injecting its entire commercial portfolio into the property trust and selling its shares to the general public - a process called securitisation.

With its sheer sizable and asset values, this commercial REIT initiated from the public sector would help kick-start the real estate fund management industry in Hong Kong.

Besides the public sector, the private sector also has the need to issue REITs. The property downturn has seen earnings decline in most of developer stocks. As the risks in the property market are still very high, discounts to net asset values (NAV) of their stocks will be widened. To boost earnings and return to equity, spinning-off non-core investment properties is the way forward. Pooling assets into a REIT can allow the developers to sell assets at valuation that would be higher than that achieved by a direct sale.

Sun Hung Kai Properties has recently indicated its plan to dispose of some of its non-core commercial portfolio. It could be a potential REIT candidate in future. Market potential for REIT

development in Hong Kong is promising; BNP Paribas Peregrine estimates a potential market size of HK\$117-156 billion. Other potential REIT candidates may include the Government Property Agency's property portfolio and MTRC's retail portfolio.

There is one successful developer in Australia reaping the most benefits from the REITs transformation. Westfield Holdings in Australia, which thanks to REITs have been able to separate property development from property ownership. Westfield has gained by taking a management fee for looking after the properties in the trust and raising capital from investors for future development projects, which boost return on equity. As such, Westfield Holdings trades at price earnings ratio of 35-40 times, and manages A\$22 billion of assets on behalf of the trusts.

Real estate professionals are also the beneficiaries. As REIT managers strive to enhance the value of the properties and their rental income stream, they would require more professional services and hire qualified staff. A brighter day ahead for real estate professionals!

Remarks:

Previous stories on securitization by the same author in the HKIS newsletter:

Foreign Real Estate Funds are on the Prowl <http://hkis.org.hk/publication/surveying/v10i11/feature/html#5>

Commercial Mortgage-backed Securities (CMBS) <http://hkis.org.hk/publication/surveying/v10i9/feature.html#4>

JO will arrange a CPD event on Property Investment on 23 October 2002 :

THE INDIRECT APPROACH, chaired by **Mr Karl Lung**, Head of Far East Properties, ABN Amro Asset Management (Asia)Ltd.

Send your comments to jimyiphk@yahoo.com

What are the concerns expressed by institutional investors on J-REIT

Concerns	Why
The effects of soaring interest rates on REITs	J-REITs benefit from the low interest rate environment. Investors are concerned that if the interest rate will rise in future, the REIT's current yield may not look attractive
Further collapse of real estate prices	Oversupply in Tokyo office market is still severe, if rents keep falling, the REITs' return may not be sustainable
Insufficient disclosure requirements	Information disclosed by the J-REITs is far from satisfactory, eg, tenancy terms and rentals are not disclosed
Potential conflicts of interest between investors and issuers	Unlike the US, J-REIT does not require a third-party asset manager. Two current J-REITs are the subsidiaries of the issuers, conflict of interest may arise.
Limited tax advantages	There is a high capital gains tax in Japan, plus lack of US-style UPREIT tax benefits for the sale and transfer of real estate into J-REITs

Source: PriceWaterhouseCoopers

CLAIMS PREPARATION, ASSESSMENT AND SETTLEMENT

| Patrick O'Neill, Brian E. Rawling & Associates

On 29 and 30 June 2002, the HKIS and the China Engineering Cost Association (CECA) held a joint CPD seminar in Shanghai, PRC. One of the aims of the seminar was to outline to the CECA delegates the diverse range of services and expertise offered by Quantity Surveyors from Hong Kong. This is the second article of a two part series which provides an abridged version of one of the presentations, a role play on claims preparation, assessment and settlement. The participants in this role play were:-

Mr M H Suen of Hongkong Land Ltd who played the role of the Employer, Richmond Investment. He also acted as overall narrator and translator.

Mr Thomas Tse of Paul Y-ITC Construction Ltd who played the role of the contractor, China Right Construction Company.

Mr James B Longbottom of Brian E. Rawling & Associates who played the role of China Right's claim consultant.

Mr Kim Berry of Widnells who played the role of the Architect, Sketch and Make Do Associates.

Mr Patrick O'Neill of Brian E. Rawling & Associates who played the role of the Employer's Quantity Surveyor, Sparing and Thrift Associates.

This second article in the series considers the assessment of China Right's claims for extensions of time and prolongation costs, and summarises the recommendations and ascertainments of loss and expense made by the Employer's Quantity Surveyor to the Architect.

(1) Employer's Liability (M H Suen, Richmond Investment)



In April 2002, China Right submitted a claim to Richmond Investment claiming 116 days extension of time and reimbursement of RMB16.95 million in prolongation costs. The substructure to Shanghai Plaza had been completed 116 days late and no extensions of time had been awarded by the Architect as of April 2002.

The Architect instructed the Quantity Surveyor to ascertain the amount of loss and expense.

The Quantity Surveyor was also asked by Richmond Investment to undertake a review of China Right's claim submission and to make recommendations to the Architect as to:-

- (1) China Right's entitlement to an extension of time.
- (2) The Employer's entitlement to deduct liquidated damages.

China Right had submitted notices of both delay and additional cost during the course of building the substructure works, and it was part of the Quantity Surveyor's brief to review the notices and assess whether China Right had complied with the notice provisions of the Contract.

(2) Architect's Concerns (Kim Berry, Sketch and Make Do Associates)



It is the duty of the Architect under the HKIA Form of Building Contract to estimate the length of any delay that has affected or is likely to affect the completion of the Works beyond the Date for Completion. In so doing, the Architect should, as soon as he

is able, make in writing a fair and reasonable extension of time for completion of the Works.

In some instances, this function can be delegated to the Quantity Surveyor (as in this case), however this process of delegation should not affect the Architect's role as independent certifier under the Contract. The Architect is still required to carry out his certifying functions independently between the Contractor and the Employer and in an unbiased manner, albeit he may give due regard to any recommendations made by the Quantity Surveyor and / or other consultants.

The Architect can best perform these functions when he is in receipt of sufficient substantiation from the Contractor, which clearly demonstrates and quantifies their entitlement. Prior to the submission of the claim in April 2002, the Architect was of the opinion that China Right had failed to demonstrate an entitlement to time or money under the Contract.

Upon receipt of China Right's claim submission in April 2002, the Architect's initial response was that:-

- * Drawings were not issued late with insufficient / conflicting details as alleged. Minor design changes may have been made during the progress of the Works, but these should not have delayed the completion of the Works.
- * Reinforcement quantities did increase, however the delays could and should have been extinguished by a corresponding increase in resources.
- * The Architect had on numerous occasions identified, and advised China Right of defective works which had to be demolished and re-built together with instances of non conformance with the specification which required remedial works. The time and money associated with these events were not reflected in China Right's claim submission.
- * The Architect was of the opinion that the following events were similarly not reflected in China Right's claim for time or money:-

- (1) Incorrectly placed reinforcement which had to be removed and reinstalled.
- (2) Late deliveries of reinforcement for certain foundations.

- (3) Concurrent culpable delays caused by a broken down tower crane in November 2000.

The Architect recommended to the Quantity Surveyor that all of the above concerns should be considered when assessing China Right's entitlements to both time and money.

(3) The Assessment of the Claim (Patrick O'Neill, Sparing and Thrift Associates)



The assessment of China Right's claim was undertaken in a logical sequence which addressed the three essential elements that should be addressed in reviewing any claim submission, that of :-

- (1) entitlement;
- (2) methodology; and
- (3) reasonableness of time and money.

Entitlement

In identifying whether China Right had demonstrated a basic entitlement under the Contract, the following checks were made by the Quantity Surveyor.

Entitlement Check List

- Had China Right submitted notices of delay and additional costs in a timely manner?
- Did the notices comply with the requirement of the Contract?

- Were Contract clauses identified by China Right within their claim submission?
- Were the Contract clauses appropriate and had China Right interpreted them correctly?
- Were the contractual grounds appropriate or were there any that may have been more appropriate?
- Was the claim valid in principle?
- Had China Right therefore demonstrated an entitlement under the Contract?

Having satisfied the above requirements, an entitlement to time and cost was demonstrated in principle. The next task was to review the methodology adopted by China Right and assess whether that methodology was sufficient in substantiating both the time and money claimed.

Methodology

In identifying whether the methodology adopted by China Right adequately substantiated the time and money claimed, the Quantity Surveyor assessed the following matters:-

Methodology Check List

- Had China Right provided full particulars of the cause(s) and effect(s) of the delay actually encountered?
- Had China Right linked the cause(s) or event(s) giving rise to the claim with the effect(s) of those cause(s) or event(s)?
- Had supporting documents been provided for the claim?
- Was the claim sufficiently particularised?
- Was the methodology adopted sufficient to permit the Quantity Surveyor to review the claim?
- Were China Right's calculations based on recognised principles?
- Had the costs been substantiated to an appropriate level?

(The monies claimed had not been supported by evidence of

actual costs, however, the Quantity Surveyor proposed to visit China Right's site office and head office to undertake an audit on the amounts claimed.)

Overall, the Quantity Surveyor was satisfied that China Right's claim had been prepared in sufficient detail and was supported by adequate supporting documents to permit a detailed consideration of the reasonableness of the time and money claimed.

The Reasonableness of the Time and Money Claimed

Time

The Quantity Surveyor reviewed the details provided by China Right and was satisfied that the 4 No. events identified as giving rise to delays to completion of the Works (late information, waterproofing, drawing amendments and reinforcement increases) were delays for which the Employer was responsible and were delays on the critical path, which prevented the Works being completed by the due date. The delays were excusable and compensable under the HKIA Form of Contract.

China Right's delay analysis and delay demonstration programmes properly took into account the inter-relationship between the cause and effect in respect of each of the events identified as giving rise to delay, and demonstrated an overall delay to completion of the Works of 116 days.

However, the Quantity Surveyor considered that China Right were not entitled to an extension of time as a result of delays arising from drawing amendments to the water tanks. China Right had been provided with sufficient particulars in answer to a technical query to commence construction of the water tanks 3 days prior to the formal issue of the drawings. China Right chose not to build with this information, good for construction, but deferred commencement of the construction of the water tank until the drawings had been revised.

China Right were, therefore, not entitled to an extension of time of 3 days as a result of alleged delays in issuing the water tank structural drawings.

The Quantity Surveyor was satisfied that none of the other alleged

delays identified by the Architect delayed completion of the Works by the due date.

Summary of Time

The total time assessed by the Employer's Quantity Surveyor was as follows:-

Cause/event	Days Claimed	Days Assessed
Late information	27	27
Waterproofing	52	52
Drawing amendments	15	12
Reinforcement increase	22	22
	<u>116 days</u>	<u>113 days</u>

Money

The Quantity Surveyor reviewed the amounts claimed by China Right and undertook an assessment of their entitlement to reimbursement under the Contract as follows.

Additional Preliminaries

The time related preliminary costs claimed by China Right were accepted as costs wholly and necessarily incurred during the periods of delay, however the Quantity Surveyor made adjustments to the claimed amounts for the following:-

* Double Counting: certain staff members were identified as being full time head office based and not site based at all and so their costs were considered to be covered in the head office overhead cost assessment below.

* Double Recovery: time related preliminary costs were identified as being recovered in the variation account during the periods of delay, and so this double recovery was deducted from the claimed amount.

Additional Head Office Overheads

Additional head office overhead costs were accepted as costs wholly and necessarily incurred during the periods of delay. However, the Quantity Surveyor made adjustments to the claimed

amounts for the following:-

* China Right's corporate accounts for the period of delay indicated that the head office overhead cost as a percentage of turnover averaged 3.5% and not 8% as alleged by China Right. A head office overhead percentage of 3.5% was therefore applied to the Emden Formula method of assessment.

* Credit was taken in respect of all additional works valued at contract rates which contained a contribution to head office overheads and which were carried out during the period of delay.

Claim Preparation Costs

The Quantity Surveyor considered that it could be argued that the employment of a Claims Consultant was not required by the Contract and was not considered necessary for China Right to fulfill their obligations under the Contract. However it was accepted that China Right may be able to demonstrate an entitlement to claim preparation costs as a claim for damages. The costs were therefore accepted in this assessment.

Loss of Opportunity

The Quantity Surveyor considered that China Right were not entitled to recover amounts in respect of loss of opportunity caused by the lock up of resources on the project longer than expected. The Quantity Surveyor considered that the definition of loss and expense in the Special Conditions of Contract specifically excluded amounts associated with loss of profits from lost business opportunities. The definition was as follows:-

"Loss and /or Expense means such items of loss and/or expense as are ascertained by the Architect or, at the Architect's discretion, by the Quantity Surveyor pursuant to clauses 11(6), 24(1), 26(2) (b)(vi) or 34(3) of the Conditions including, without limitation, overheads whether on or off the site, finance charges (limited to simple interest at the Hongkong & Shanghai Banking Corporation prime lending rate plus 1%) and depreciation in value of plant and equipment owned by the Main Contractor but excluding profit or loss of opportunity."

The Quantity Surveyor's assessment was therefore nil.

Interest Costs

Interest costs were accepted as costs wholly and necessarily incurred during the periods of delay. However, the Quantity Surveyor made adjustments to the claimed amounts for the following:-

- * Interest was calculated on the basis of simple interest at 1% above the prime lending rate, in accordance with the definition of Loss and / or Expense in the Special Conditions of Contract.
- * China Right had no contractual right to compound interest under the Contract.

Further Adjustments to Costs

In addition to the above adjustments made to the amounts claimed by China Right, the Quantity Surveyor made further deductions to the time related costs claimed during the periods of delay for the following matters:-

- * Deductions for all concurrent culpable delays identified.
- * Deductions for the costs incurred re-building defective works.
- * Deductions for time spent correcting non conformance with the Contract.

The amount of these deductions was RMB¥ 300,000.

Summary of Costs

The total cost assessed by the Quantity Surveyor was as follows:-

	Claimed RMB (Million)	Assessed RMB (Million)
Site preliminaries	2.42	1.81
Head office overheads	6.77	2.71
Claims preparation costs	0.35	0.35
Loss of profit	5.92	0
Deductions	0	(0.30)
Sub total	15.45	4.57
Interest	1.50	0.48
Totals	16.95	5.05

In addition to the amounts assessed above, the Quantity Surveyor assessed that the Employer was entitled to deduct liquidated damages for a period of 3 days (3 days @ RMB¥ 150,000/day = RMB¥ 450,000), as the 3 days delay in building the water tanks resulted in a consequential knock on 3 days delay to completion of the Works by the due date.

Conclusions

The Quantity Surveyor concluded his assessment by recommending to the Employer and the Architect that:-

- * China Right was entitled to an extension of time of 113 days under the Contract.
- * The Employer was entitled to deduct RMB¥ 450,000 in liquidated damages.
- * China Right was entitled to be reimbursed prolongation costs in the amount of RMB¥ 5.05mn.

The Quantity Surveyor also pointed out the following in recognition of the Architect's concerns as to China Right's entitlement:-

- * Information required for building the substructure works had been issued late by the Architect, as it should have been issued at day 1 of the Contract to allow the Contractor sufficient time to order materials and plan the substructure works.
- * China Right had no opportunity to put further resources on site in an attempt to extinguish the delays, as the optimum number of resources was made use of in the confined working space available in the basement.

The Architect responded to the assessment by expressing his satisfaction that his concerns as to China Right's culpable delays, defective works and non conformances had been addressed in the assessment.

The Employer concluded by expressing his satisfaction that the assessment of both time and money undertaken by the Quantity Surveyor represented the China Right's correct entitlement under the Contract.

For further information please contact bera@netvigator.com



CHOOSE YOUR EXPERT WELL

John B Molloy, LLB(Hons), BSc(Hons), FHKIS, FRICS, FInstCES, MCI Arb, RPS(QS)
Managing Director, James R Knowles (Hong Kong) Limited



Being an expert witness can be a thankless task. Large numbers of files have to be reviewed in detail and great care taken in the production of the expert report because the expert on the other side will scrutinize every comment and every calculation you make. Subsequently, you find yourself sitting in the witness box under cross examination by a clever barrister who considers it his or her sole aim to find fault in your evidence to discredit you.

None of this is much fun, and whilst you are, of course, generally being well paid for your services, the role of the expert is nonetheless not an easy one.

But at least your client can't sue you if he is disappointed by your performance - or can you? This point was considered recently in the case of **Raiss v. Paimano**, a case heard recently in England.

The traditional position in the English legal system is that an expert witness has immunity from a suit against him for evidence given in the witness box. This rule originates from the case of *Dawkins v. Lord Rokeby* (1873) L.R. 8 Q.B. where the judge concluded:

"Upon all these authorities it may now be taken to be settled law, that no action lies against a witness upon evidence given before any court or tribunal constituted according to law".

This rule has been re-stated on many occasions described recently in *Silcott v. Commissioner of Police of the Metropolis* (1996) 8 Admin.L.R as a fundamental rule of law.

This immunity from suit stretches further than the evidence that the expert gives in the witness box, it covers the expert report as well (although not giving of advice on the merits of a client's case). These points were confirmed in the case of *Stanton v. Callaghan* [2000] 1 Q.B. 75 where Chadwick L.J. made the following remarks:

"What, then, is the position in relation to expert reports? It seems to me that the following propositions are supported by authority binding in this court:

(i) an expert witness who gives evidence at a trial is immune from suit in respect of anything which he says in court, and

that immunity will extend to the contents of the report which he adopts as, or incorporates in his evidence;"

This then was the traditional and accepted position. However, this was put to the test in the aforementioned case of *Raiss v. Paimano*.

The facts of the case are as follows. The claimant, Mr Raiss, required an expert witness to provide opinion on his counterclaim against a firm of surveyors regarding a renewal of a lease of premises in Covent Garden in London. The solicitors acting for Mr Raiss approached Mr Paimano, a Chartered Surveyor, and enquired whether he was an appropriate person to provide such a service.

Mr Paimano advised the solicitors:

- that he had considerable professional knowledge and experience in respect of properties in Covent Garden, i.e. the locality of the premises, and was therefore suitable to advise on that as an expert in respect of the same;
- that he was the ideal person to advise the claimant and act as his expert witness in respect of his dispute with the firm of surveyors in the court proceedings;
- that he was on the Panel of Arbitrators to the RICS;
- that the claimant had a good counterclaim against the firm of surveyors in the court proceedings.

In reliance on the said advice and representations, Mr Raiss pursued his counterclaim and Mr Paimano was employed and appeared as expert on his behalf. However, Mr Paimano's performance in the witness box was disastrous and resulted in instructing solicitors recommending that the counterclaim be dropped.

In particular, Mr Paimano had accepted under cross-examination that he was not an expert specifically in relation to property in Covent Garden. Further, and most importantly, he had also accepted that, contrary to the qualifications set out in his report, he was not on the panel of arbitrators of the RICS.

CAVEAT EMPTOR : LET THE BUYER BEWARE

John Chiang, FHKIS, MRICS

Group Operations Director, Icfox International Limited (www.icfox.com)



Introduction

Before quantity surveyors embark on investing in or using any software for bills of quantities production or to instigate or participate in any of the e-tendering processes, I would like you to consider the legal dictum of "caveat emptor". The literal meaning of the phrase is "let the buyer beware", or that buyers should examine and check for themselves things that they intend to purchase and that they cannot later hold the vendor responsible for the broken condition of the thing bought.

I would also wish to share with my fellow professionals just what you should be looking for from bills of quantities software and/or e-tendering solutions. Apart from its basic task of creating bills of quantities, the chosen software should be able to integrate itself into the whole process of e-tendering. Most importantly, such software and/or e-tendering solution should also be able to support the electronic exchange of data contained in the bills of quantities throughout the life cycle of a project.

In this Article, the following areas will be discussed and identified as the essential deliverables that are required from bills of quantities software and/or e-tendering solutions (which I refer to collectively as the "system") that could make them truly a part of or in their entirety, a total e-tendering solution:

- * User friendliness
- * Security
- * Interoperability
- * Addenda handling
- * Intelligence

User Friendliness

For bills of quantities software to live up to the ideal of being "user friendly", you surely should not be looking for the same degree of acquaintance by users as they have for, say, simple spreadsheet software. I do not have to remind you that bills of quantities are very complex documents and that Quantity Surveyors have necessarily had to endure long days and nights to master them. Therefore, merely matching the ordinary software that is readily available in your computer should not be the criteria for the selection.

To start with, bills of quantities software should provide a comprehensive library of Standard Phraseologies. The phrase "user friendly" will then certainly come into play. Not only should the library be well written to provide consistency among bills of quantities descriptions and be classified into different tiers, it should also be flexible enough to allow takers-off to write up their specific descriptions at the lower tiers to reflect the peculiarities of the design. The jargon for this provision is the production of "rogue items".

Further, there should also be a selection of libraries to complement the different Standard Methods of Measurement (SMM) used in different parts of the world. The system should also allow the creation of new libraries with ease.

Needless to say, the auto-merging and auto-sequencing in accordance with the selected SMM is essential, as this will significantly reduce the Quantity Surveyor's editing time. And without which the software would merely be an electronic version of individual dimension sheets in a simple Cut and Shuffle measurement process, which would still require a lot of manual manipulation before bills of quantities could be produced.

On the subject of pre-set formula within bills of quantities software, you should not just settle for simple arithmetical formulae. What there should be are enhanced measurement schedules such as Reinforcement Schedules, Pipes Schedules and Drainage Schedules as well as additional measurement facilities. Additional measurement facilities should be intelligent enough to, say, subsequently classifying measurements for excavations into the required depth categories according to the SMM after the full depth of the excavation has been measured in one go.

Also on your "wish list", should be bills of quantities software that enables you to measure directly from two or three-dimensional CAD drawings.

The phrase "user friendly" when applied to an e-tendering solution, must be that it respects, in every detail, the conventional practice in conducting a tender. After all, why should you bend over backwards to just suit a particular system? Yet one more piece of advice is that you should be looking for an e-tendering

Mr Paimano's credibility was thus seriously compromised and as a result the claimant dropped his counterclaim and brought the action seeking compensation from Mr Paimano.

In the ensuing trial, Mr Paimano contended that as the claimant's complaint related solely to his performance in the witness box the claim should be struck out by reason of the immunity rules.

The judge struck out certain parts of the claim, but allowed others to stand. In particular, he distinguished between Mr Paimano's representation that he was on the panel of arbitrators of the RICS and other representations he had made. The judge concluded that, in respect of the majority of the claim, Mr Paimano had the benefit of immunity. However, the incorrect representation that he was on the panel of arbitrators went to his credibility and was capable of having a serious effect on the reception of his evidence. The judge concluded that that representation did not have the benefit of immunity, because such immunity only protects those who give truthful and honest statements, but not those who have lied in the witness box.

Mr Paimano appealed that the entire claim should have been struck out. The claimant cross-appealed that nothing should have been struck out.

In the subsequent appeal, before the High Court of Justice of the Queens Bench Division, the court reversed the previous judge's decision not to strike out the part of the claim relating to the representation by the defendant that he was on the panel of arbitrators of the RICS. The court said that the distinction drawn by the judge, i.e. that the immunity only protects those who give honest and truthful evidence could not be sustained.

The court concluded that a witness is entitled to immunity, even in respect of evidence that is dishonest and referred to the case

of *Darker v. Chief Constable of the West Midlands* [2000] 3 W.L.R. 747 as confirmation of this rule.

Further, the rule extended to Mr Paimano's expert report as well where he had stated:

"Roger Paimano, B.A. (Hons), FRICS, is a Fellow of the Royal Institution of Chartered Surveyors and on the Panel of Arbitrators to the Institution. He has been practising in London for 19 years and has extensive experience of open market property transactions in central London."

So the court concluded that no action could be brought against Mr Paimano by Mr Raiss, notwithstanding the fact that he had misrepresented his qualifications and his experience both to Mr Raiss and in his report, and notwithstanding the fact that his performance in the witness box was disastrous.

The reasons for this are sound. They are based on public policy. In *Stanton v. Callaghan* [2000] 1 Q.B. 75 Chadwick L.J. said:

"The expert is there to assist the court, and it is right that the defendant says that he should be so protected as a matter of public policy so that he can give evidence without fear or favour. If he did not perform in the witness box, and if he did not meet the expectations and expertise and confidence that his instructing client places in him, this should not lead to subsequent litigation. That would be a disaster. The courts must give protection to witnesses so that they can give their evidence and truthfully and honestly in relation to their views and opinions."

It does mean, however, that one should take special care when choosing an expert witness because there is no recourse if his performance does not live up to expectations. ■

solution with a “tender box” function, rather than one that can serve only as a “post box”.

Security

The IT equivalent of the word “security” for bills of quantities is “encryption”.

Encryption is the transformation of data or text into an incomprehensible and indecipherable form by the use of personalized “keys”. Its purpose is to ensure privacy by keeping information hidden from anyone for whom it is not intended, even those who have access to the encrypted data. Decryption is the reverse of encryption; it is the transformation of the encrypted data back into a comprehensive form by the corresponding key.

As the latest encryption technology can already ensure that data or text that are not permitted to be changed in bills of quantities are kept intact, it would be rather naive and irrational to go for bills of quantities software that could not prevent the tampering of the bills of quantities, but instead merely offers a gadget to report to the author that the bills of quantities have been tampered with. You could always argue that the tenderers could be forewarned in the Conditions of Tender that any unauthorized alterations to the tender documents may lead to the disqualification of their tender. But why should you waste your valuable time during the tender analysis period searching for those unauthorized alterations and then have to deal with the respective “culprits” via numerous exchanges of correspondence? You can save all that hassle and either shorten the time for delivering the Tender Report to the Client or make use of the time saved to enhance your evaluation and analysis.

Ideally, you should be looking for a system in which selected data (i.e. bills of quantities reference, bills of quantities description, quantity, unit of measurement and PC & Provisional Sums) are encrypted, while leaving certain fields open for tenderers to submit their proposed alternatives against the respective bills of quantities items. That is, of course, if the Conditions of Tender expressly permits the inclusion of alternative proposals.

The physical security of the tender data stored in the cluster of servers is also of paramount importance. The servers should be housed in a proper and well-operated data centre with tight security measures as well as having a universally approved Disaster Recovery Plan.

Information security is of equal importance. There are currently several accreditation bodies that provide certification in compliance with BS7799 or its equivalent ISO17799. One of the accreditation bodies is the British Standards Institute itself. You should ask to see the Kite Mark when a particular solution provider approaches you.

Interoperability

To this writer, the word “interoperability” means simply the ease of exchanging data from one web application to another.

We have to accept that the successful creation of a soft copy of bills of quantities is just the beginning of the whole tendering process. To a Quantity Surveyor it might mean that, after the Tender Documents have been dispatched, he might have a short break to catch his breath before issuing the first addendum. To a tenderer, the battle is only just beginning.

Upon receiving the bills of quantities, tenderers will most likely be importing the bills of quantities data into their proprietary estimating software to commence the build up of the lump sum price. Immediately, the bills of quantities have to be split into sub-contract and supply packages. In no time at all, the re-packaged bills of quantities data are to be sent to dozens of sub-contractors and suppliers. Then the difficult bit begins.

If all the dispatched data were not “tagged”, it would be a complete nightmare for tenderers to relate the numerous quotes from their sub-contractors and suppliers back to the original bills of quantities items. But, if that data were able to be freely transferred to other e-procurement software and to find its way back to the exact same items in the original bills of quantities, it would surely make life more pleasant for the tenderers. Something that we should not forget is that if we are to make e-tendering a success, the benefits derived from the process should be enjoyed by all participants.

Another feature to look for is an export function. The bills of quantities software should be able to export the bills of quantities in a format that complies with an open industry standard to enable the free exchange of data between different proprietary software. With this interoperability feature, your previous investment in other software will not be wasted through your participation in a given e-tendering process.

Addendum Handling

The demand for a system to have all the bills of quantities items tagged to enable tracking does not just end there. Imagine the additional burden that an addendum can put onto a tenderer whilst he is in the middle of consolidating the various quotes from his sub-contractors and suppliers and, just at this moment, there comes another addendum changing maybe a modest 20% of the bills of quantities items.

To ease the burden, you should at least be looking for a system that handles addendum in the conventional manner. In other words, only the revised pages should be issued without the need to issue the whole bills of quantities again, with all the revisions hidden inside waiting for the tenderers to discover them all by themselves.

As a value added feature, you should also ask for the generation of an Addendum Summary report, that lists clearly where the changes on the revised pages are, right down to the level of “description”, “quantity” and “unit of measurement”. You might also want to put onto your “wish list” that the system should track and identify those changes right down to the sub-contract and supply packages level, once those packages have been directly split from the original bills of quantities.

Intelligent

On the subject of how intelligently a system should perform, amongst other criteria, this writer has the following functions in mind, for your consideration: -

1. Multiple users enabled

Be it bills of quantities software or e-tendering solutions, it would serve no purpose if the system cannot support multiple concurrent users. In addition, a “role-based access control” is essential.

2. Traceability

As the system should support multiple users from different disciplines, an audit trail would enhance the accountability of the authors of the documents in the compilation of the Tender Booklet.

3. Automatic alerts

Swift communication between the tender initiator/project team and the tenderers is essential, to ensure that time is not wasted.

4. Checkings and authentication


Tenderers should be prompted automatically when there are arithmetical errors in their priced tender submissions or when they have not incorporated all or any of the issued addenda. The system should be intelligent enough to reject any bills of quantities submissions that are not meant for the project to stop tenderers from submitting bills of quantities to a wrong tender box.

5. Analytical tools

Basic analytical tools, such as self generated Bill-by-Bill comparison and major unit rates comparison, is a must. And for the professional Quantity Surveyors, why not ask for an elemental cost analysis function, for example?

This list could go on forever. However, as a practicing Quantity Surveyor, this writer has no doubt that you could easily build up your own shopping list based on the above guidelines and prudently select bills of quantities software and the e-tendering solution that would complement and enhance your professional practice.

Conclusions

Now that this writer has hopefully captured your attention as to how you should make the best investment in bills of quantities software and/or e-tendering solution. In his next article entitled “ASP vs. Enterprise Solution - to be or not to be?” this writer will elaborate on how to choose between the various e-Project Management software in the market and how to decide on whether you should go for an Application Service Provider hosted solution or an Enterprise hosted solution. 



PROFESSIONAL REGISTRATION SYSTEM OF REAL ESTATE APPRAISERS IN PRC: THE PROBLEMS

Yu Kam Hung, FRICS, FHKIS, Executive Director of Valuation & Advisory Services, CB Richard Ellis

Samuel Woo, Senior Valuer of Valuation & Advisory Services, CB Richard Ellis



"Real estate" refers to a piece of land and any buildings or structures on it. Professionals who give written provisions of valuation, combined with professional opinion, advice and/or analysis relating to such land and buildings are therefore known as "real estate appraisers". These appraisers shall possess a certain level of technical proficiencies and qualifications to be considered experts in the field. Many countries or cities in the world may have only one main professional body to regulate and monitor the qualification of the appraisers, e.g. the Royal Institution of Chartered Surveyors (RICS) in UK, the Australian Property Institute (API) in Australia, etc. However, in China, real estate appraisal professionals have been categorised into three streams/qualifications, namely, land appraisers, real estate appraisers, and asset appraisers. In this article, we would like to discuss these three streams in brief and some of the problems that arise.

Land Appraiser

In China, professionals who specialise in land appraisal have to be examined and certified by the Ministry of Land and Resources (國土資源部) before they are recognised as qualified land appraisers. The examination for land appraisers was first organised in October 1992 by the former Land Administration Bureau (國家土地管理局), which was merged with three other bureaux in 1998 to form the current Ministry of Land and Resources. At present, there are over 12,000 land appraisers in China and a series of corresponding regulatory policies for land appraisers and land appraisal firms have been established.

Real Estate Appraiser

Professionals who are responsible for real estate appraisal have to hold the qualification certificates issued by the Ministry of Construction (建設部) and the Ministry of Personnel (人事部) through examination. The Ministry of Construction and the

Ministry of Personnel certified the first group of 140 registered real estate appraisers in May 1993 and the second group of 206 appraisers in April 1994. The real estate appraiser examination and registration policy has been initiated on this basis and there were almost 14,000 qualified real estate appraisers in China in year 2000. The Ministry of Construction and the Ministry of Personnel have also taken initiatives of implementing many regulations during this time.

Asset Appraiser

Professionals who specialise in State-owned assets appraisal have to be examined and certified by the then State-owned Asset Administration Bureau (國家國有資產管理局), before they are recognised as qualified asset appraisers. According to State Council's announcement of State-owned Asset Appraisal Administration Regulations (國有資產評估管理辦法) on 16 November 1991, the scope of State-owned assets appraisal covers fixed assets, movable assets, intangible assets and other assets. In most cases, the purposes of appraising these assets are for accounting related issues, therefore, these assets are categorised in accordance with the accounting concept.

Having considered the above points, a number of problems in relation to the existing real estate professional registration system could be addressed.

First, the scope of work provided by each of the three types of appraiser often overlap. The primary role of the land appraisers certainly focuses on land-related appraisal. Appraisal of the land component for the purposes of granting, sales, rent, mortgage, merger, acquisition, IPO as well as the standard land value are all under the scope of land appraisers. As stated previously, the main role of the real estate appraisers is to evaluate the buildings, bearing in mind that buildings are always built on land, an overlap of work has already arisen. Moreover, as stated previously, asset appraisers are to evaluate State-owned fixed assets, movable

assets, intangible assets and other assets, theoretically some of these assets may include land and building, therefore another overlap is seen.

Second, due to the fact that the three appraisal streams were set up, managed and administered by the subsidiaries of respective ministries, it is indeed extremely difficult for them to co-ordinate, control and monitor the standard of appraisal results. For example under the existing system, if a real estate appraiser or an asset appraiser is allowed to evaluate a piece of land, they may not be using the same approach as a land appraiser normally does or they may not have the expertise in evaluating a piece of land, that may result in a large variation between the values assessed by the three types of appraiser for even one piece of land. This large variation of appraisal result would certainly make a negative impact on the interests of the instructing parties who are intended to obtain a fair market value.

Third, based on the above arguments, an appraiser who wishes to be involved under the existing system may be forced to get the qualifications of all three streams. Currently, the numbers of appraisers who have obtained two or even three qualifications under the existing appraisal system are increasing. This system

has simply wasted a large amount of effort put by the appraisers as well as the administration resources of the government in hosting three different streams of appraisal by the separate ministries.

Apparently, the best method to reform the current real estate professional registration system would be to merge the existing land appraiser, real estate appraiser and asset appraiser into one profession as the property appraiser. The property appraisers would then be examined, certified, controlled and administered by only one professional body. This system has worked in most other countries around the world and seems to be the most effective system in terms of the control of professionalism of appraisers and appraisal results.

However in China, we must note that the initial cause of the mutual existences of all three appraisal streams and the problems which occur are because of the formation of the system by three separate government authorities in the last decade. Therefore, in order to merge the existing appraisal streams into one, the biggest obstacle would be on how to draw the synergy of the three government authorities to become one administrative body that overlook the system. ■



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CIVIL ENGINEERING MEASUREMENT DISPUTES REVISITED

Peter Berry, FCI Arb, FHKIS, MRICS, MIOB, OAP

I have followed the debate between John Molloy and Vincent Wu with much interest, particularly so as I was involved in drafting the wording back in the early 1980's. As a QS, my involvement was of course mainly with the "Building Works" version, though I was allowed to voice opinions in connection with the "Civil Engineering Works" version, because the Architectural Services Department also used remeasurement from time to time.

The debate makes it clear that there are two cultures present. John sets out the building one and Vincent the civil engineering one. The best I can add to the debate to state what was in my mind when assisting with the drafting, what I was hoping to achieve (from a building works point of view). My approach was that the Contractor builds in accordance with the Drawings and Specification. The work is measured under the rules set out in the SMM. If not correctly measured, it is put right and valued, as though it were a variation. (The change in quantities does not entitle the Contractor to an EOT because the work on the Drawings/in the Specification does not change). Any work not covered by the SMM, or the express item coverage in the Trade Preambles, or specifically addressed in the Preliminaries, would be measured using the express power to modify the SMM to cover the situation. (e.g. early SMM's did not include for piling. No one expected the tenderer to allow for it in his or her rates.) This was to be followed under the building remeasurement version.

On this view John is correct in his analysis. The question is - does the difference in culture change the effective meaning of Clause 59 remeasurement version? The Contractor still has to construct according to the Drawings and Specification. The SMM still has to be followed.

The extent to which civil engineers made use of item coverage was for many years something of a mystery to me, given I did not

use it. I cannot come to terms with the approach that states that the Contractor must construct in accordance with the Drawings and Specification and therefore it does not matter whether I measure all work or not, provided I conform with the SMM. This does not seem to be Vincent's point, which I believe is, if the work is properly detailed on the Drawings or expressly set out in the BQ item coverage, then it is not an error in description, or a missing item, that falls to be added to the remeasurement of the Works as constructed.

Were we considering a lump sum contract, without quantities, I believe the common law would provide a straightforward answer, i.e. even if the concrete to the manhole was not mentioned in the specification, the contractor would have to provide it. The civil engineering remeasurement and item coverage approach seems to embrace this principle, that the contractor should use the knowledge that goes with being an experienced contractor and price accordingly, but with the SMM imposing limits.

How far do these limits go? What if the detail of the expansion joint and/or the item coverage do not refer to a protective cover plate? How are the tenderers to know? What if it is mentioned, but no quality specified? My approach to the former is that it is a missing item. To the latter, it is for the contractor to decide the quality (using reasonable skill in the selection). If the Engineer does not want the Contractor's choice, it's a variation.

Underlying Vincent's argument is the principle that the tenderers will get reasonable access to the Drawings. If they don't, then that's quite another argument. ■

UNDERGROUND UTILITIES - AGAIN

Peter Berry, FCI Arb, FHKIS, MRICS, MIOB, OAP

First, may I thank and congratulate Mr C Y Fung (HKS Journal, March 2002) on his valuable research and Mr Stephen Parker (Surveying, May 2002) for his insights into this vexed question. I have taken the liberty of pointing out these articles to the appropriate parties in the Hong Kong Construction Association, who, obviously, take a keen interest in such matters.

Some readers may be old enough to remember that I once worked for the Architectural Services Department and had a hand in drafting the Government General Conditions of Contract, particularly the Building version, my contact with civil engineering at that time (the early 1980's) being limited. The General Conditions remain basically unaltered.

As noted in the two articles I have referred to, unforeseen site circumstances are not usually a problem for building works, so they did not feature highly in my thoughts. The civil engineers advising our chief draftsman and legal adviser, Mr Philip Nunn, of course discussed such problems, and the risks were allocated according to their views. I was content that the General Conditions adequately provided for ways and means to overcome most surprises. My reasons for this were, and still are, as follows:-

Clause 13 "catch-all" ground condition risks placed on the Contractor has to be read with Clause 15. The Contractor has no licence to touch, much less work on the property of the utility undertakings found within the Site. They are not part of the Works. This means that the services found within the Site fall within the limits of Clause 15 - it is "legally impossible" for the Contractor to touch them.

By Clause 47, the Contractor is bound to proceed with the Works with due diligence. The General Conditions give a range of circumstances when the Engineer may disrupt this obligation e.g. ordering variations, in return for time and/or money.

Where something occurs that falls within the "legally impossible" limitation, it is for the Engineer to sort it out, ie. give instructions to the Contractor.

In extreme circumstances where the unexpected occurs, the Engineer will have to think about what needs to be done to overcome the problem before issuing an instruction, as empowered by Clause 15. If this happens then the Engineer issues a suspension order under Clause 54 ie. with the possibility of

time and/or money.

The Contractor has a "co-ordination" role (not expressly referred to in the General Conditions, but described in the Specification). Whilst the Engineer is considering any design problems, the Contractor notifies the relevant utility undertaking, who will assist in the problem solving exercise.

Once the problem is solved, the Engineer issues a notice granting the Contractor permission to recommence the suspended work and for anything additional the Contractor may have to do. It can be argued that the Contractor, when tendering in compliance with Clause 14, will have allowed something in the tender price for the nuisance value of services, as there are bound to be some, as any experienced contractor should know. What is not known, is the line and depth of each service ie. the degree with which they will affect the Contractor's obligation to proceed with due diligence. More specifically though, the General Conditions make no reference to what an experienced contractor ought to know and include for, so as an obligation concerning utilities, it is not relevant.

The procedure I have described, as set out in the General Conditions, makes it clear that the tender sum does not include for doing anything other than co-ordinate with the relevant utility undertakings. If a variation is required, then Clauses 60 and 61 apply. If additional Temporary Works are required, these will have to be agreed between the Contractor and the utility undertaking, but ordered by the Engineer under Clause 60(1)(a) as "additions". That is what the Contingency Sum is for. The reference to utility undertakings at Clause 63(d) is something of a "red herring" - the Government very seldom engages utility undertakings in connection with the Works.

The above sets out how I (perhaps naively) believed it was (and is) supposed to work. Whether my belief is justified or not, I would like to be told - though if history is anything to go by, there will be a deafening silence.

Picking up on Mr Parker's reference to identifying sub-surface services by using modern technology, a system was presented to the Works Branch's Directors Meeting in late 1996. These are now standard inclusion in all appropriate contracts.



SURVEYOR'S SURF

Stephen Chung, Zeppelin Real Estate Analysis Limited



Recently your author had read an article titled "Why Software Is So Bad" in Technology Review, and was amazed to find that according to a study on 13,000 programs, professional (computer) coders make between 100 to 150 mistakes in every 1,000 lines of code they write. Thus, using this ratio, a computer operating system with its 16,000,000 lines of code may have about 2,000,000 mistakes in it. Fear not, say the experts, as most programs are tested several times prior to release, the number of errors may eventually boil down to around 80,000! Not a small engineering feat, the experts say, as if this was something to celebrate. Maybe, yet to the uninitiated layperson, that still sounds scary when you come to think of it. Would you buy a car that still has 80,000 defects? [Incidentally, the author remembers an automobile commercial broadcasted years ago claiming their then-new version of a sedan model had 15,000 improvements made = implying the old version had the same number of defects = Wonder how the old version buyers had felt = Lesson = NEVER buy version 1.0]. But the lovely part is that not only can the software companies get away with it (have you heard or seen any one of them "recalling" their sold software for free improvements or upgrades?), they can also charge you for helping / consulting you on amending the errors they make in the first place. Using a real estate analogy, this means developers could build lousy properties and then charge the purchasers-owners for all subsequent defect rectification and maintenance. Not a bad business at all. The following sites have few defects if any:

a) <http://www.onlinenewspapers.com>

A website that connects to the websites of many newspaper globally, very handy and neat. And it's free.

b) <http://www.network-box.com/>

This site belongs to a commercial company selling computer security / protection software. However, it also gives you statistics on how many virus attacks there have been, which types or virus were involved, and the like for both local and overseas regions.

c) <http://www.goodexperience.com>

This site aims to "monitor the customer online experience", and is presumably set up by a Mr Mark Hurst. It seems / feels like there is an effort to share online internet / email experience touching upon various topics ranging from web surfing pattern study to unsolicited emails etc.

d) <http://www.timeanddate.com>

Don't want to wake up someone half the globe away? Trying to catch your international partner during the proper office hours? This is a fun and useful site with sections not only on various time zones but down to the city level. Hence, no more excuses for you (or your global friend) to call you up right in the middle of the night!

e) <http://www.ijet.com/#>

For the global trotter, this site offers intelligence reports for specific destinations and real-time travel alerts for the duration of your trip, all delivered to the cell phone the company provides. Naturally, fees are involved. They claim there are usually 150 alerts at any one time around the world. A feel also for how serious some people can be with regards to air travels and trips abroad.

f) <http://www.itendant.com/solution.asp>

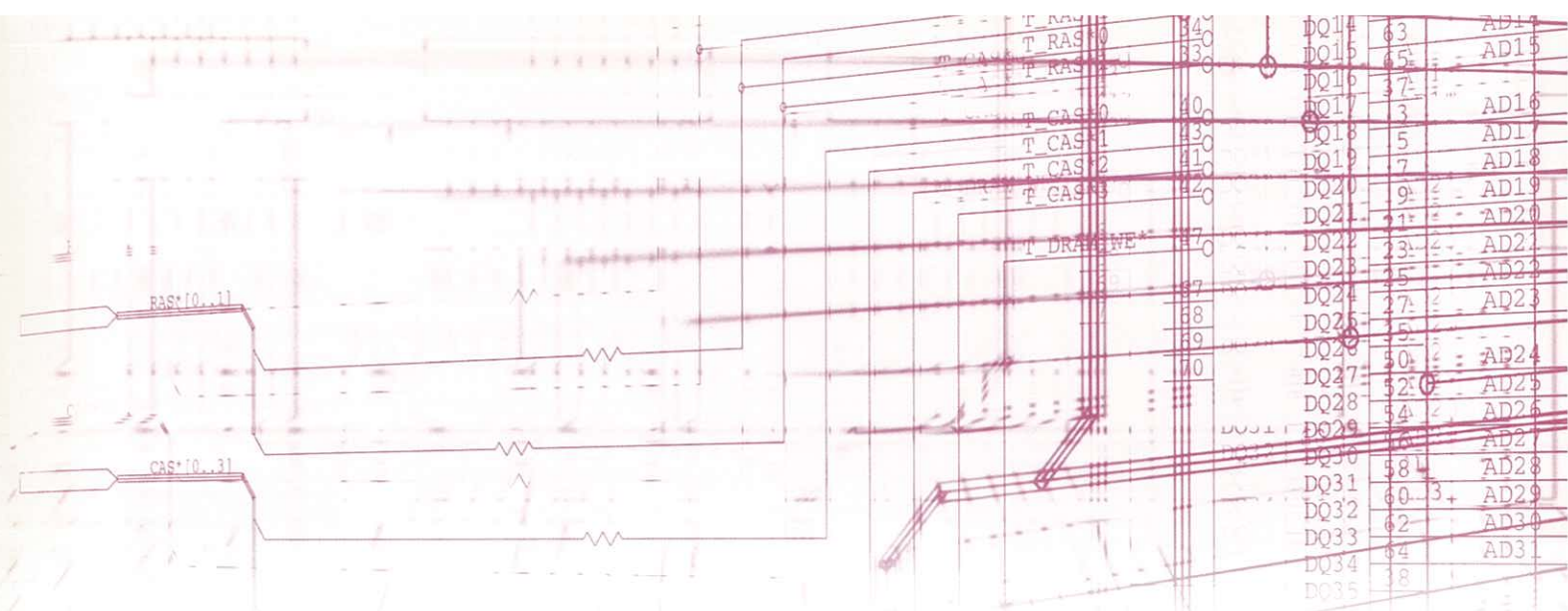
This is a commercial site selling property services software and wireless solution, a collaborative workflow and reporting platform that enables you to track, measure and act on service requests and routine maintenance schedules. Click "demo" for an actual system interface.

g) <http://yugop.com/ver3/stuff/b3/fla.html>

This is a cool online clock, quite creative and kind of humorous. The problem is it seems to show the time of one place only.

h) <http://acro.harvard.edu/GEI/smileys.html>

The author had sometime ago introduced a similar website on web/email abbreviations in this column. If you missed that, fear not, here's one from Harvard!



Speaking of versions, Man is 1.0 and Woman is 1.1, based on the biblical claim that the latter originated from the former (a rib taken from Adam to help make Eve). What's more, the latter gender does seem to have a slight edge over the former gender. Here's proof: a) Durability = Women generally live longer; b) Memory = Men generally seem to have less acute memory capacities, especially when it comes to remembering birthdays and anniversaries etc; c) Heredity Hair-loss = Somehow this is mostly a male problem, a defective DNA or hormone imbalance; d) Suppression = Throughout history and in most societies, men dominated politics, business and family, and suppressed the

other gender in ways possible. This was perhaps due less to any superior intellect than to the male gender subconsciously knowing they were in fact the inferior gender. One other thing, men seemed to have started most of the wars too since recorded history, perhaps owing to a unnecessarily high level of adrenaline or something, though this said, one can contend that the ladies have not been given much chance to prove their equal status in this aspect.

Send suggestions and comments to stephenchung@real-estate-tech.com

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Information Rules (A Strategic Guide to the Network Economy)

Written by Carl Shapiro and Hal R. Varian
ISBN 0-87584-863-X

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I was told the other day that it was an unbeatable temptation to buy pirated DVD movies because genuine versions are many times the price of pirated ones. Based on the traditional assumption of economic scales, the more you produce the physical products the lower your average cost of production. Information goods like books, databases, movies, music, etc, are, however, different because these are costly to produce but cheap to reproduce. Not surprisingly, Internet is viewed by the publication industry as one "giant, out of control copying machine."

This month I would recommend this book to all members because lots of principles and examples can be related to surveyors' jobs. The book's principal idea: "Technology changes. Economic laws do not." The authors define broadly that anything which can be digitized - or encoded as a stream of bits - is information. In the network economy, managers should not ignore the durable economic principles.

The first part explains how to develop value-maximizing pricing strategies. Like how had the CD version of the Microsoft's Encarta eroded the sales of the printed version of Encyclopedia Britannica? This is a classic example where information goods are dominated by the "first copy" cost of production. Multiple copies can be produced at roughly constant per-unit costs. Internet can be utilized to communicate with your customers; and it enables you to personalize the pricing of information products. Through the correct pricing strategy, your information products can highly tune to your customers' interests.

Versioning information is useful to design your "product line" to capture the greatest profits from the information you are selling. By versioning, you may sell to different market segments at different prices. For example, the money management software Quicken has the deluxe version for professional users and the

basic one for less demanding users. It is therefore important to use versions to induce users to have self-selections. You can sell the same thing to different customers with significantly different levels of willingness to pay. Another form of versioning is called bundling: bundling two or more distinct products as a package selling at a single price. A good example is Microsoft Office, a product that bundles together a few application tools including Word and Excel, etc. It is effectively offering one to customers who would buy the other product at a smaller incremental price than the stand-alone price.

The book shows how to manage intellectual property rights. Copyright owners continue to be conflict thinking about the Internet. But the digital revolution gives unprecedented opportunities for contents owners to broaden the reach and to lower distribution costs. It points out that information goods are qualified as an "experience goods". Consumers don't know what it's worth to them until they experience it. In large bookstores, you are offered seats to browse the books comfortably before you pay to buy. In reality, these bookstores sell more books and end up making a lot more money. An important function of digital revolution enables reproduction costs to be reduced. In the video rental market, Hollywood did not like it very much at the outset. But Hollywood made a lot of money from video rental. The availability of inexpensive content meant that people watched many more movies.

This phenomenon explains another important concept: positive feedback. The information age is built on the economics of networks. Resemble the last example, the more VCRs there were, the greater the demand for prerecorded videos. Information economy could benefit from the growth of more and more users. Simply to say, positive feedback makes the strong get stronger and the weak get weaker, leading to extreme outcomes. More

popular examples like Wintel (instead of Mac OS) as the PC operating systems and VHS (instead of Beta) as standard in the video recorder market. Network externalities highlight crucial strategy for information systems: when I join your network, the network is bigger and better, to your benefit. When I buy a fax machine, the value of your fax machine is enhanced since you can now send faxes to me and receive faxes from me. This explains Metcalfe's Law: the value of a network goes up as the square of the number of users.

Coupling the benefit of positive feedback, new incompatible technologies would struggle to become standard, or engage in a standards war. A classical example was the war fought between Sony and Matsushita in VCR: Beta versus VHS respectively. The chapter on waging a standard war illustrates the seven key assets in network market and the two tactics to win in standard wars. Once you've won the standards war, what should follow? But when you fall behind, how should you price your product?

Lastly, the information economy has another characteristic: the costs of switching from one brand of technology to another are sometimes substantial, users face lock-in. If you want to switch to use IBM-compatible PC tomorrow, your initial investments on

the existing Macintosh software and peripherals may have to be wasted. You tend to minimize your switching cost by continuing to buy a new Mac. So before you craft a strategy for dealing with your own switching costs, you need to know how to identify and measure them. Chapter 6 explains further on how to manage lock-in. Suppose you are a buyer of a mission-critical database, you should consider seriously how the data can be converted to other formats in a few years in order to minimize the switching costs.

This 356-page book is really insightful, and successfully distills the economic principles of information and networks into viable business practice. I admit that the book contains lots of "jargons" like versioning, bundling, lock-in, positive feedback, switching, etc together with relevant examples. But all these should be able to impact the readers' mind to use information to add values for the industry. Therefore, surveyors should enrich information in the local data-abundant business environment. We are no longer living with information - the lowest level in the knowledge pyramid, but to transform information to become knowledge, then to analysis and to the top of the pyramid - strategy. ■



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Update of GOVERNMENT PRACTICE NOTES

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Lands Dept.	Practice Note No. 8/2002	Application for Tree Felling or Transplanting for private projects.	14 August 2002	www.info.gov.hk/landsd
	Circular Memorandum No. 47	Lands Dept. Consent Scheme - Saleable area of utility platforms.	9 August 2002	
Environment, Transport and Works Bureau	Technical Circular (Works) No. 31/2002	HKCA Schedules for Plant Used in Dayworks Carried Out Incidental to Contract Work.	25 July 2002	
	Technical Circular (Works) No. 6/2002A	Enhanced Specification for Site Cleanliness and Tidiness.	24 July 2002	
	Technical Circular (Works) No. 30/2002	Implementation of Site Safety Cycle and Provision of Welfare Facilities for Workers at Construction Sites.	23 July 2002	
	Technical Circular (Works) No. 29/2002	Geotechnical Control for Slopes and Retaining Walls.	11 July 2002	
	Technical Circular (Works) No. 28/2002	Procedures for the issue for a Technical Circular.	9 July 2002	

* Please note that the above Practice Notes can be downloaded from the corresponding home page.

Hong Kong Property Review - Monthly Supplement

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Computer generated view of Hong Kong Science Park



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Manager, Leasing

Responsibilities

- Assist the Marketing and Admission Team in handling all leasing matters;
- Negotiate rental terms and prepare leases;
- Collect and analyse property market information.

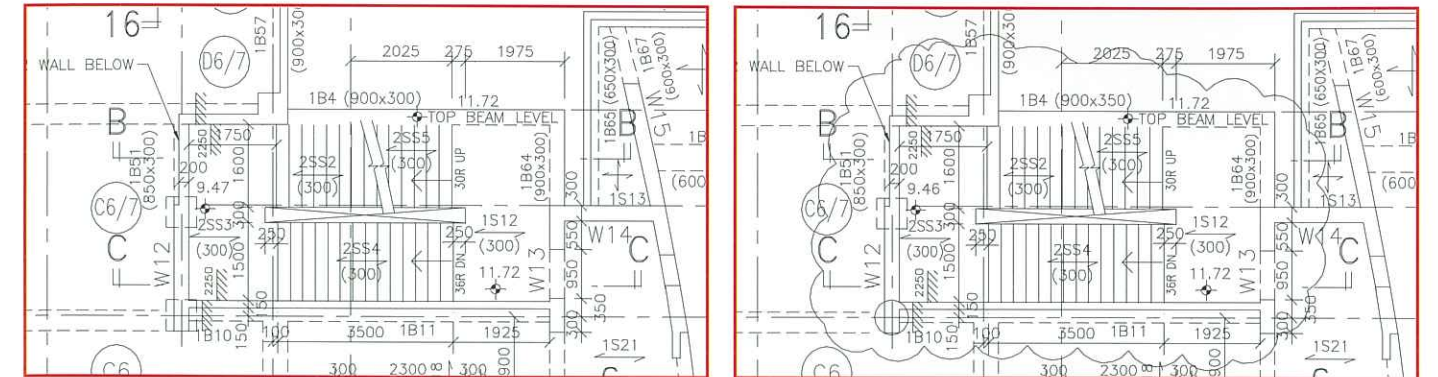
Requirements

- Surveying degree holder or professionally qualified in general practice surveying or equivalent. Minimum ten years solid experience in leasing of which three years should be at managerial level;
- Experience in any of the following technological segments: Electronics, IT/Telecom, Biotech, Precision Engineering, an added advantage.
- Strong interpersonal skills and experience in working with senior management;
- Good command of spoken and written English, Putonghua proficiency preferred;
- Mature, positive service attitude, pleasant, outgoing, enthusiastic and ability to work independently.

We offer attractive remuneration and benefits to the right candidate. Applications should specify qualification, detailed employment history, current and expected salary, contact address and telephone number to be sent, not later than October 12, 2002 to the **Manager, Human Resources & Administration, Hong Kong Science & Technology Parks Corporation (HKSTP), Suite 1905-13, 19/F., Tower 6, The Gateway, 9 Canton Road, T.S.T., Kowloon, Hong Kong.** Interested candidates are welcome to visit our homepage at <http://www.hkstp.org> for more information about HKSTP.

Personal data provided will be treated in strict confidence and will only be used for consideration of application. Applicants not invited for interview within 10 weeks from the closing date may assume their applications unsuccessful, and personal data provided will be destroyed.

Within **5 seconds**, can you identify which engineering drawing is the **latest version** and tell the difference?



Losses can be tremendous.....when your projects go wrong due to negligence of minor changes or mistaken reference to old drawing versions. Thanks to the unique *Auto-Log* feature of VHSOFT Technologies' advanced drawing management solution, **VHDrawings™**, all changes and remarks made on every single drawing throughout the work process can be automatically recorded, giving you a crystal clear picture of contents in updated versions instantly!

In addition, its state-of-the-art artificial intelligence technology enables you to compare different versions of complicated drawings quickly. Complemented by its powerful *Quick Search* feature, large drawing files can be searched and read much faster and more accurately, freeing up more time for other high value-adding tasks!

Unique Features:

Quick Search: search drawing contents conveniently without memorizing manual input

Drawings comparison: compare the differences between 2 drawings in seconds

Audit trial: keep track of all changes made on different drawing versions at a glance

Easy sharing: share information and remarks on drawings across an interactive platform

Compression technology: speed up file-loading process and reduce storage space

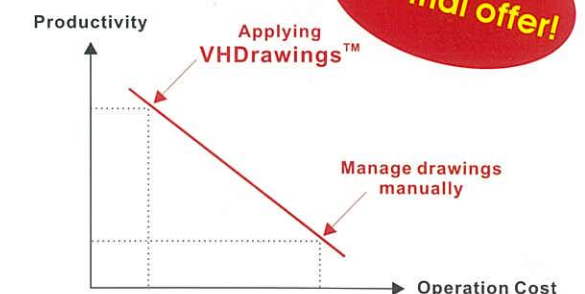
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Answer:

1. ϕ 9.47 \leftarrow ϕ 9.46
2. (900X300) \leftarrow (900X350)
3. Rectangular column \leftarrow Circular column

(Verified by the compare function of VHDrawings™)





小病是福

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