

8 July 2010

For immediate release

HKIS's View Towards Regulation of the Property Management Industry and Related Building Management Issues

The Home Affairs Department submitted a proposal to the Legislative Council Panel on Home Affairs for discussion on 9 July 2010 in respect of the captioned item and the followings were comments made by the Hong Kong Institute of Surveyors (HKIS).

In general, HKIS supports a new mandatory licensing regime to regulate the standard of service provided by property management companies. The HKIS recommends that the new system shall follow the registration of general building contractors/minor works contractors currently adopted by the Buildings Department whereby a certain number of Registered Professionals shall be appointed as senior members and managers of the company as one of the licensing criteria. All other property management service providers including owners' corporations and non-government organizations shall also be regulated similarly. Whilst small and medium size companies shall also be licensed without exception, a transitional period may be implemented in order to allow ample time for meeting the new licensing requirements.

However, the HKIS has reservation on the licensing of property management individuals. Currently, professional property managers are already regulated by the rule of conduct of their own professional institutes, such as the HKIS. Further licensing of individuals becomes only a "Belt and Braces" job. The current practice of team works and collective decision making process generates extreme difficulty and unfairness to hold a licensed individual personally liable for his/her managerial action. Owing to a wide variety of specialists involved (for example property manager, technical manager, security manager, etc.), it will also cause difficulty to establish a single and effective licensing system, not to mention the huge administration and licensing fees anticipated which may ultimately be reflected by unnecessary increase of management fees.

The HKIS also opines that the implementation of a voluntary accreditation system during the transitional period of three years was unnecessary as there are already numerous quality accreditation systems being well established in the market, such as ISO9001, ISO14001, OHSAS18001, 5S, etc.

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