

March 7, 2002

Hon. Albert HO Chun-yan

Chairman

Panel on Housing of the Legislative Council

Dear **Mr. HO**,

Ref.: Position Paper on Estate Agents Ordinance

On 14th September 2001, we sent a position paper to the then Chairman (Hon CHAN Kam-lam) of the Subcommittee on Estate Agents (Licensing)(Amendment) Regulation 2002 expressing our concern over certain aspects of EAA and expect the Subcommittee would refer the case to your Panel for further discussion and follow-up work.

We now repeat the following matters regarding the Estate Agents Ordinance and Regulations for your consideration.

(1) The representativeness of Category A Members of EAA

According to Schedule 1 of the Estate Agents Ordinance, the Category A Members of EAA should be individuals who *do estate agency work*. We deeply believe that the original intention of the law to make these Category A (i.e. doing estate agency work) individuals the *bridges between the trade and EAA*. Unfortunately, amongst the present Category A individuals as appointed, some of them openly indicate that they have wholly or partly left the estate agency work. The worst is that some so-called trade representatives in the course of their appointment have also failed to or seldom liaise or communicate with estate agency organization(s). Is it the original intention of the initial making of the law?

In light of the aforesaid, we hope that the Panel will procure the Administration *to appoint newly those who really do estate agency work* as Category A individuals in EAA.

(2) The participation and support of the estate agency trade

In the past, we have demanded that EAA should, in addition to the members as

appointed by the Chief Executive, go further *in inviting individuals who do estate agency work to participate in the work of EAA's various committees*. We deeply believe that it is the only way to ensure that the policies and guidelines to be made by EAA can tally with the practice and the need of the estate agency. Regrettably, apart from the present *Training Committee and Practice Committee*, the other committees of EAA have not invited the trade to participate.

Because of the aforesaid, we hope that the Panel can follow-up with and procure EAA *to appoint more individuals of the trade to participate in the work of EAA's various committees*. We believe that without the participation and support of the trade, the chance to manage the estate agency trade properly is slim.

(3) Openness, stringent financial control, and value-enhancement of EAA

Currently, the general impression to the trade about the operation of EAA is that of black-box operation, poor financial control, and nothing recommendable about value-enhancement. Yet because of these, the relationship between the trade and EAA is weak. We pay expensive licensing (company and individuals) fees. Conversely, the service obtained by the trade from EAA is the worst of the worst. Apparently, the present unsatisfactory situation will be improved if the matters mentioned in **(1) and (2) above** can be tackled.

Therefore, we hope that the Panel can assess the performance of the work, financial control, value-enhancement of EAA since the operation of the Estate Agents Ordinance. We shall be most grateful if your Panel can include the above-mentioned items for discussion in the Panel's monthly meeting and invite us to make our representation.

We look forward to your favourable reply soon.

Yours truly,

For and on behalf of

_____ Hong Kong Chamber of Professional Property
Consultants Ltd.

_____ Hong Kong Real Estate Agencies General Association

_____ New Territories Estate Agency Association Ltd.

_____ Property Agencies Association Ltd.

_____ Society of Hong Kong Real Estate Agents Ltd.

c.c. all Panel members