

**Extract from the report of the former  
Bills Committee on Building Management (Amendment) Bill 2005**

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Regulation of property management companies

233. Some members are of the view that a regulatory scheme should be introduced for the property management industry in order to better protect owners' interests. The Administration has informed the Bills Committee that it is conducting a two-phase study on the feasibility of introducing a regulatory scheme for the property management industry. The focus of the first-phase study is on the present situation of the property management industry in Hong Kong, the overseas practices in regulating property management companies, and the regulatory regime for other comparable industries/professionals in Hong Kong. Upon the conclusion of the first-phase study around June 2007, the Administration will report the findings to the Panel on Home Affairs.

234. At the Administration's suggestion, members have agreed not to pursue the issue in the current legislative exercise. They have, however, made the following suggestions for the Administration to consider -

- (a) different levels of regulation should be imposed under the scheme according to the sizes of property management companies;
- (b) the proposed regulatory scheme, if introduced, should be combined with the existing regulatory scheme for the security and guarding services industry in order to avoid requiring the property management companies which provide security as well as property management services to apply for two licences; and
- (c) property management companies should be required to procure liability insurance for the protection of owners in case of winding up of these companies.

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