

15 April 2015

The Hon Tony TSE Wai-chuen, BBS  
Chairman, Bills Committee on the Property Management Services Bill  
The Legislative Council  
Legislative Council Complex  
1 Legislative Council Road  
Central, Hong Kong

系主任及講座教授  
公共政策學系  
Ray Forrest  
Head and Chair Professor  
Department of Public Policy

Dear Mr. Tse,

We do appreciate the work of the HKSAR Government in initiating legislation on licensing property managers with the intention to "raise professional standards, increase public awareness of the importance of engaging a qualified PMC, and promote the concept of maintaining building safety and value through continuous effective building management." [see Clause 3 Legislative Council Brief HAD HQ CR/20/3/5(C) dated 23 April 2014]. This is an essential move to ensure property management industry and its practitioners are operating at the highest standards in protecting the interests of property owners, residents as well as the general public.

However, such goals cannot be realised simply with a piece of legislation. The licensing system should not only be a passive tool in disciplining property management practitioners but a vehicle in pushing for higher practice standards. In fact, even before the Government had the plan to regulate property management practice, there were already licensed professionals such as engineers, architects, and surveyors who were working in the field and voluntary organisations had been set up to promote self-regulation, advance practice standards and set training standards in enhancing the art and science of property management. Many such professional organisations have long history and are closely connected to leading international bodies in the field. At the same time, the tertiary education sector has also been running professional training programmes Master, Bachelor, Diploma as well as Certificate levels with thousands of graduates over the decades.

The Department of Public Policy in the City University of Hong Kong has been running professional programmes at both the undergraduate and postgraduate level since 1998 in cooperation with the relevant professional institutes with the goal of supplying the property management field with adequately trained practitioners. The overwhelming majority of graduates from our professional programmes have subsequently joined the relevant professional institutes and have made substantive contributions in consolidating the practice standards in the field.

However, the recent proposal put forward by the Home Affairs Department to be included in the legislation only requires Tier 1 Property Management Practitioners to possess either an academic qualification (degree in any field) or a professional qualification, plus relevant local work experience [see Clause 7 LC Paper No. CB (2)556/14-15(02) dated January 2015]. In our view, this is totally inadequate in maintaining standards of property management, not to

mention raising the practice standards to higher levels. As most of the qualifications granted by relevant professional institutes in the field require not only working experience, but also solid professional training at tertiary level in relevant fields, allowing degree holders without relevant professional training implies a reduction of professional standards and runs contrary to the intention of the licensing legislation. It also sends a wrong signal to the community that the licensing legislation is only about “disciplining” practitioners and there is no need for professional training in acquiring the standards of property management services and further development of practitioners.

Hence, we would strongly suggest the Bills Committee to consider setting the basic requirement of registering as a Tier 1 Property Management Practitioner to having both an undergraduate degree level and a professional qualification, plus relevant local work experience. In the medium term, the academic qualifications should be confined to professional degree programmes relevant to the property management industry.

In the transition to licensing, serving property management practitioners who have ample experience in the field may need suitable "grandfathering arrangements" to ensure the continuity of existing services as well as avoiding unnecessary impacts on the livelihood of current practitioners whilst at the same time also being able to achieve the standards of service the licensing system is expecting.

We feel that our suggestions strike the right balance between the interests of the general public and property owners as well as being able to enhance the service standards of the property management profession.

I hope that Members of the Bills Committee would fully consider our suggestions and convey the message to the legislature during the debate of the Bill.

Should you have queries, please feel free to contact Professor Yip Ngai Ming in our department at 3442 9366 or by email at [sayip@cityu.edu.hk](mailto:sayip@cityu.edu.hk).

Yours Sincerely,



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c.c. Members, Bills Committee on the Property Management Services Bill  
Director of Home Affairs, HKSAR Government