

16 April 2015

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

Dear Tony,

**The proposed licensing requirements for PMP (Tier 1)
under the Property Management Services Bill**

On behalf of the Department of Real Estate and Construction, The University of Hong Kong, I want to express our serious concerns about the implications of the Home Affairs Department's (hereafter "HAD") proposed licensing requirements for Property Management Practitioners ("PMPs") under the Property Management Services Bill ("PMS Bill"). In particular, we are concerned about the licensing requirements for PMPs (Tier 1), as set out in Paragraph 7 of LC Paper No. CB(2)556/14-15(02). For ease of reference, the table showing the requirements set out in Paragraph 7 is reproduced in the Appendix.

To achieve the objective of raising professional standards of the property management profession, it is necessary that PMPs (Tier 1) receive professional education in property management at the undergraduate or higher level *plus* structured professional training after graduation. A university degree program related to property management is necessary for the former, while relevant professional qualifications would suffice for the latter. My understanding is that membership in property management-related professional bodies under "other requirements" aims to address the latter requirement. As for the former, the proposed requirements by HAD imply that professional education in property management at the undergraduate level or higher can be substituted by two years of self-reported work experience in property management. This is absolutely unsatisfactory and undermines the importance of professional education in property management at the university level. In addition, the skill sets and knowledge that a PMP can acquire during the two years of working experience can vary substantially depending on job natures and working environments. It is difficult to understand why two additional years of work experience can be used as alternative to property management education at the university level. We believe there is no substitute for a property management-related professional undergraduate degree or higher for licensing PMP (tier 1).

We are also concerned about the requirements labeled, "Academic and/or Professional Qualifications," which imply that academic qualifications can be substituted by professional qualifications (my interpretation is that "equivalent

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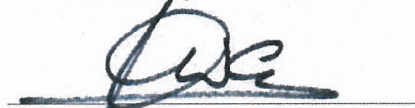
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qualifications" include professional qualifications). Academic and professional qualifications complement each other and signal the different skill sets and qualities of PMPs. Both are essential attributes of a licensed PMP (Tier 1). Moreover, professional qualifications are already assured if the PMP (Tier 1) is a members of property management-related professional bodies (I believe "member" here means full professional member and excludes probationary, associate, technical, and student members), since "professional body membership" and "professional qualification" are used interchangeably in many professions, including property management.

The proposed requirements by HAD, as they stand, would make property management-related academic qualifications redundant (as far as licensing requirements are concerned), since these requirements can also be met by professional qualifications alone. This would have serious implications on the attractiveness of property management-related programs in Hong Kong, since most Hong Kong students are very pragmatic when choosing a university program to study. This means that property management-related programs cannot attract high quality students and, thus, would have a negative impact on the quality of property management professionals in the long run.

The quality of property management services is of utmost importance for ensuring a healthy and safe living environment for general public, particularly in a high density urban area dominated by high rise buildings such as Hong Kong. A poorly-managed building does not only affect its tenants, but could have serious negative spillover effects for the general public, such as the spread of contagious diseases, falling objects, and so on. The licensing requirements of PMPs have a direct impact on the overall quality of property management services in Hong Kong and, thus, the well-being of its people. I would therefore request that the members of the Bills Committee and HAD reconsider the licensing requirements of PMPs (Tier 1) while carefully considering the consequences for the public. Please let me know if you need further information.

Yours sincerely



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Appendix

PMP Licensing requirements proposed by the Home Affairs Department

	Licensed PMP (Tier 1)	Licensed PMP (Tier 2)
Academic and/or Professional Qualifications	<ul style="list-style-type: none"> ● Degree or equivalent qualification in property management to be specified by the Property Management Services Authority (PMSA) (plus at least 3 years of local working experience in property management); or ● Other degrees or equivalent qualification or above (plus at least 5 years of local working experience in property management). 	<ul style="list-style-type: none"> ● Other degrees or equivalent qualification or above (applicable to those not fully satisfying the Tier 1 requirement); or ● Diploma, sub-degree or equivalent qualification in property management to be specified by the PMSA.
Relevant Working Experience	<ul style="list-style-type: none"> ● See requirements set out above. 	<ul style="list-style-type: none"> ● At least 2 years local working experience in property management; or ● At least 1 year local working experience in property management under the supervision of a Tier 1 PMP.
Other Requirements	<ul style="list-style-type: none"> ● Members of property management related professional bodies to be specified by the PMSA; or ● Subject to assessment (e.g. interview) by the PMSA if considered necessary. 	<ul style="list-style-type: none"> ● Nil

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