

File Ref :

## **LEGISLATIVE COUNCIL BRIEF**

### **HOUSING MANAGERS REGISTRATION BILL**

#### **INTRODUCTION**

At the meeting of the Executive Council on 15 June 1999, the Council ADVISED and the Chief Executive ORDERED that the Housing Managers Registration Bill should be introduced into the Legislative Council.

#### **BACKGROUND AND ARGUMENT**

##### **General Background**

2. “Housing managers” as a profession generally refers to those engaged in the co-ordination and execution of housing services at a professional level, including estate and property management activities as well as maintenance and security of buildings. At present, unlike many other professions, there is no legislation recognising the professional status of housing managers.

3. The Hong Kong Institute of Housing (HKIH) was established in 1988. Its main objects are to promote the standards of building management and to raise the professional status of housing managers. Members of the Institute are mostly housing managers working in the public sector and private property-related companies. Its members, taken together, are currently managing about two-thirds of residential properties as well as a sizeable proportion of commercial and industrial buildings in the territory.

4. The Institute has been working on the idea of setting up a registration system for housing managers for some time. As a first step, a bill proposed by the Hon. Edward HO Sing-tin to provide for the incorporation of the HKIH was passed by the then Legislative Council in

May 1997. Late last year, Mr. Ho proposed to move a Private Members' Bill to establish a voluntary registration system for housing managers. As the Bill is in line with Government policy to promote better property management and to raise the professional standards of housing managers, the Administration supports the Bill and decides to take over the processing of the Bill.

## **Registration System**

5. The Bill provides for the registration and disciplinary control of professional housing managers. A registration board for "registered professional housing managers" will be set up, with not less than 12 members appointed by the Council of the HKIHL and not more than two members may be appointed by the Chief Executive. The board will have the power to set and review qualification standards for registration; receive, examine, accept and reject applications for registration; establish and maintain a register; inquire into complaints and take disciplinary sanctions against professional misconduct. The registration system will be administered by a Registrar appointed by the board. In short, it aims to assure the public that those who claim to be qualified professionals have indeed received proper training and observe a code of conduct during practice. The proposed registration system will serve to enhance the standards of property management and to enforce self-regulation by the profession.

## **Qualifications for Registration**

6. In order to be registered, the applicant should be a member of the HKIHL, or a housing management association of a similar standard, or has attained professional qualifications recognised by the board, and with at least one year's relevant working experience in Hong Kong. In addition, the applicant should be a fit and proper person, an ordinary resident in Hong Kong and should not be the subject of an inquiry or a disciplinary order. To consider whether a person is fit and proper, the board may have regard to past criminal convictions, records of professional misconduct or neglect, and mental fitness.

## **Controlled Use of Professional Title**

7. The Bill further prohibits persons who are not registered from using the title of “registered professional housing manager”. It should be noted that registration is not a pre-requisite for employment. While the Bill controls the use of title, it does not prevent persons who are not registered from practising. Thus, the Bill will not create a “close-shop” situation, nor have any direct impact on the recruitment or employment of housing managers in the public or private sectors. The Bill is largely modelled on similar legislation for other professions such as engineers, architects and surveyors.

## **Appeal**

8. Any aggrieved person may appeal to the Court of Appeal against the decision or order made by the board concerning the rejection of application and disciplinary sanctions.

## **Offences**

9. The Bill creates certain offences such as obtaining registration fraudulently and using the title of “registered professional housing manager” without registration. Persons who commit the above offences are liable to a fine at level 5 (\$25,001 to \$50,000) and to imprisonment for one year.

## **THE BILL**

10. The main provisions of the Bill are summarised below –

- (a) **Clause 3** provides for the setting up of a registration board with not more than 16 members and not less than 12 members to be appointed by the General Council of the HKIHK. In addition, it may include not more than two members to be appointed by the Chief Executive, neither of whom need be a member of the Institute.
- (b) **Clause 7** empowers the board to establish and maintain a

register of “registered professional housing managers”, to set and review qualification standards for registration, receive, examine, accept or reject applications for registration.

- (c) **Clause 8** empowers the board to establish committees to advise the board, to issue code of practice for the conduct and discipline of housing managers, to set fees payable to it and to make rules under the Ordinance.
- (d) **Clause 12** specifies the qualifications for registration. To be eligible for registration, the applicant should be a member of the HKIH or of a housing management association of a similar standard or attain certain qualifications recognised by the board, and with at least one year’s relevant working experience in Hong Kong. The applicant should be a fit and proper person, an ordinary resident in Hong Kong and should not be the subject of an inquiry committee or a disciplinary order.
- (e) **Clause 16** empowers the board to appoint a registration committee of not less than five members of the Institute to examine and make recommendations as regards the qualifications of applicants. The Chief Executive may nominate a person to be a member of the committee.
- (f) **Clause 19** sets out the circumstances in which the Registrar may remove names from the register.
- (g) **Clause 20** provides for the exercise of disciplinary power by the board against misconduct or neglect in a professional respect.
- (h) **Clause 28** provides for an appeal to the Court of Appeal against the decision or order made by the board concerning rejection of an application, removal of name from the register and the making of a disciplinary order by an inquiry committee and a review committee.
- (i) **Clause 29** protects the title of a “registered professional housing manager”. It empowers the board to restrain any person, unless

registered, to use the title of “registered professional housing manager”.

- (j) **Clause 30** creates offences under the Bill such as unlawful use of title and obtaining registration fraudulently.

## **PUBLIC CONSULTATION**

11. Consultation has been held within the profession including the Hong Kong Institute of Real Estate Administration, the Hong Kong Association of Property Management Companies and related trade organisations. The proposed voluntary registration system has received wide support from the profession. The Administration has also consulted the Housing Panel of the Legislative Council at its meeting on 7 June 1999 and the Panel supported the introduction of the Bill.

## **BASIC LAW IMPLICATIONS**

12. The Department of Justice advises that the Bill is consistent with those provisions of the Basic Law carrying no human rights implication.

## **HUMAN RIGHTS IMPLICATIONS**

13. The Department of Justice advises that the Bill is consistent with the human rights provisions of the Basic Law.

## **BINDING EFFECT OF THE LEGISLATION**

14. The proposed legislation applies to all persons.

## **FINANCIAL AND STAFFING IMPLICATIONS**

15. No funding will be required from the Government for the operation of the registration system. The expenditure of the registration board will be met primarily from registration fees it collects. In addition, the HKIH will provide the necessary secretariat and financial support required by the registration system. As the Bill creates certain offences and provides for an appeal mechanism to the Court of Appeal,

enforcement by the Police and consideration by the Judiciary will be required. However, any additional manpower requirement which is likely to be incidental is difficult to quantify at this stage and will be absorbed within existing resources.

## **ECONOMIC IMPLICATIONS**

16. The Bill does not have major economic implications. As registration is not a pre-requisite for employment nor for engaging in property management activities, it will not create a “close-shop” situation, nor have any direct impact on the recruitment or employment of housing managers in the public and private sectors.

## **LEGISLATIVE TIMETABLE**

17. Subject to Members’ approval of the introduction of the Bill into the Legislative Council, the legislative timetable will be –

Publication in the Gazette	25 June 1999
First reading and commencement of Second Reading Debate	7 July 1999
Resumption of Second Reading Debate, Committee Stage and Third Reading	To be notified

## **PUBLICITY**

18. A Legislative Council brief and a press release will be issued when the Bill is gazetted. A spokesman will be available for answering media enquiries.

Government Secretariat  
Housing Bureau  
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