

The Way I See Our Professions – Challenges, Directions and Goals

Our Real Estate Industry, Our Professions

Our real estate industry plays an important role in the economy of Hong Kong. The combination of our professions with the land, building, construction and real estate industry-related sectors in total contributed 7.1% of Hong Kong's GDP in 2006, according to the Census and Statistics Department. With the strong domestic fundamentals and the robust economic growth across Asia in recent years, it is expected that there will be numerous opportunities available to our professions.

Thanks to the sustained efforts of our professionals in both the public and private sectors over many years, our contributions have won recognitions from the community. In particular, our professions has involved in the following notable foundations of our economy and community:-

- I The public housing programme in Hong Kong is a recognised social achievement. Approximately one-third of the Hong Kong population is now living in public rental housing units, which are constructed, managed and maintained by our professions. The quality and standard of these public rental housing developments have been improved over time to cater for the various needs of the low-income families who cannot afford private accommodations;
- I The development of New Towns in the New Territories has coped with the increase in population and improved the living environment since 1973. The nine new towns are housing about 3.3 million of our current population. All these new towns accommodate public and private housing supported by essential community facilities and well-developed transportation networks;
- I We have a simple but well defined land system and a highly efficient land administrative team for the effective use of land resources in Hong Kong. We are grateful to see that our professions in the public and private sectors keep on working closely together to improve the living environment with concerns on sustainability, air quality and development density; and
- I Through the sustained efforts of the Urban Renewal Authority ("URA") and other relevant Government departments, the rehabilitation and renewal of old urban areas in Hong Kong are in encouraging progress.

With the success in Hong Kong, it would not be surprising that there are demands for our experience and expertise from other regions.

New Challenges and Rising Expectations

With globalisation of the world's economy, the modern business environment has been posed with various challenges in an unprecedented manner. Changes are also inevitable to our professions in the real estate and construction industry, and we are seeing increasing demand from a wide spectrum of backgrounds in terms of *geographical origins, business sectors and needs*, imposing higher expectations upon us. We have to meet these challenges so as to stay competitive:-

(a) Demands from Wider Geographical Origins

There is more demand for our professional inputs outside of Hong Kong, from the Mainland to the fast-developing Asian countries in recent years. The economic developments of these areas are growing in an astonishingly fast pace that require leading professionals to help nurturing their growth momentum. Harvesting on such demands, our professions are in a pole position to provide **"professional services beyond physical boundaries"**.

(b) Demands from Different Sectors

Our real estate industry is now exposed to a rapidly changing environment that the traditional practice may require further development with a view to fulfilling the sophisticated requirements. The changes are due in part to demands from various sources: a rising number of less experienced investors interested in real estate developments; well-informed public demanding for better quality services; stronger voices in the community crying out for more attention to conservation, environmental protection and communal aspirations. In meeting these challenges while striving an optimal balance between practicality and sustainability, we have to possess a wide variety of professional knowledge apart from our individual expertise in assessing project feasibility in terms of aesthetic, technical accuracy, buildability, regulatory compliance, efficiency, costing and marketability. The expected provision of "one-stop-shop" solution needs a **"fusion of professions"**.

(c) Needs for Multilateral Professional Development

While it is delightful to see different real estate professionals being the CEO of REIT companies involving in asset management, Head of funds managing real estate portfolios and many others, it is clear that more unprecedented career opportunities are now available to our professionals. Obviously, with the

mounting presence of real estate investment-related products in the prevailing business world, real estate professionals are in strong demand to take up roles aside from their conventional “professional ambits”. In fulfilling this surging need, it is good timing for real estate professionals to consider **“Multilateral Professional Development”** to equip ourselves with professional knowledge outside of the real estate industry to meet the higher expectation upon us.

Our Directions, Our Goals

In view of the challenges ahead, you are invited to join us in meeting these challenges ahead.

Our Directions:

- 1) We need **to consult** members of our professions to assemble thoughts and opinions on the continued development of our professionalism;
- 2) We need **to form a communal board** comprising representatives from different real estate professions dedicate to the development of young professionals. Major issues to be examined should include continued education, training, professional recognition, regulation of professional ethics, best practice review and rationalising working hours;
- 3) We need **to develop committees** incorporating senior and junior members to:
 - i) listen, understand and address the concerns of practicing real estate professionals;
 - ii) reflect our views on Government policies directly or indirectly related to the real estate industry; and
 - iii) make regular reports to the Government, reflecting our views and concerns; and
- 4) We need **to establish a professional knowledge sharing platform** for exchanging knowledge, ideas, skills and techniques **among professions within and outside of the real estate industry.**

Our Goals:

- 1) To **cope with the fast evolving changes** and to take up **new responsibilities**;
- 2) To **contribute our skills to the society** with **professionalism**;
- 3) To **promote continued professional development, both within and outside of the real estate industry**;

- 4) To **promote** our professional services to **the Central Government of the PRC** and other countries;
- 5) To **urge** the Government to **set a higher priority to sustainable development** with a view to achieving an optimal balance of development and conservation in the domain of public interest; and
- 6) To further **enhance the influence** of real estate professionals by expanding the depth and breadth of our professional streams to cover:
 - Dispute Resolution Related Matters: mediation, arbitration independent valuation and expert witness, etc.;
 - Capital Markets: Real Estate Investment Trusts(REITs), Initial Public Offerings (IPO), financial engineering, fund raising, private equity fund and management, etc.;
 - Planning: town planning and sustainable development;
 - Real Estate Planning and Development: Overall Project Management – services include design, construction management, project planning, feasibility, planning and lands applications to the Government, etc.; and
 - Real Estate Services: sales and leasing, property management, facility management and research, etc.

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