

ISSN 1818-2542

SURVEYORS

測量師時代
Times

Vol. 15 • No. 7 • July 2006

Integrity and Professionalism
誠信和專業精神

HKIS 2005-2006 General Council

香港測量師學會2005 – 2006年度理事會

Office Bearers 執理事

President 會長	Wong Chung-hang 黃仲衡
Senior Vice President 高級副會長	Raymond Chan 陳旭明
Vice President 副會長	Yu Kam-hung 余錦雄
Honorary Secretary 義務秘書	Francis Leung 梁立基
Honorary Treasurer 義務司庫	Nelson Cheng 鄭偉雄

Council Members 理事

Building Surveying Division 建築測量組

Chairman 主席	Edwin Tang 鄧海坤
Vice Chairman 副主席	Alex Wong 黃來發
Council Member 理事	Kenneth Yun 甄英傑

General Practice Division 產業測量組

Chairman 主席	Serena Lau 劉詩韻
Vice Chairman 副主席	Chiu Kam-kuen 趙錦權
Vice Chairman 副主席	Lawrence Poon 潘永祥

Land Surveying Division 土地測量組

Chairman 主席	Dominic Siu 邵偉青
Vice Chairman 副主席	Sung Hon-kwong 宋漢光
Honorary Secretary 義務秘書	Rina Tsoi 蔡韻琳

Planning & Development Division 規劃及發展組

Chairman 主席	Edwin Tsang 曾正麟
-------------	-----------------

Property & Facility Management Division 物業設施管理組

Chairman 主席	Michael Price
Vice Chairman 副主席	Kenneth Chan 陳佐堅
Honorary Secretary 義務秘書	Dick Kwok 郭岳忠

Quantity Surveying Division 工料測量組

Chairman 主席	Paul Ho 何學強
Vice Chairman 副主席	Spencer Kwan 關天智
Honorary Secretary 義務秘書	Stephen Lai 賴旭輝

Junior Organization 青年組

Chairman 主席	Billy Wong 黃健兒
Vice Chairman 副主席	Martin Leung 梁偉聰

Technical Grade 技術會員級

Representative 代表	Fung Chiu-kit 馮照傑
-------------------	-------------------

Ex Officio Members 當然成員

Immediate Past President 上任會長	T T Cheung 張達榮
Chairman, Board of Education 教育委員會主席	Wong Bay 黃比
Chairman, Board of Membership 會籍委員會主席	Evenlyn Kwok 郭劍生
Chairman, Board of Professional Development 專業發展委員會主席	Barnabas Chung 鍾鴻鈞

SURVEYORS TIMES Editorial Board

測量師時代編輯委員會

Honorary Editor 義務編輯	Francis Leung 梁立基
Building Surveying Division 建築測量組	Kenneth Yun 甄英傑
General Practice Division 產業測量組	Edward Au 區成禧
Land Surveying Division 土地測量組	Marvin Chau 周明
Planning & Development Division 規劃及發展組	Albert So 蘇振顯
Property & Facility Management Division 物業設施管理組	Tam Shiu-hong 譚紹匡
Quantity Surveying Division 工料測量組	Gilbert Kwok 郭靖華
Junior Organization 青年組	Jeffrey Wong 黃正行
Staff Editor 責任編輯	Linda Chan 陳家玉

The SURVEYORS TIMES Editorial Board welcomes views, opinion and editorial submissions. Editorial articles can be in either the English or the Chinese language and, if published, will appear only in the language submitted. The publication of materials will be at the discretion of the said Editorial Board. Please either email to editor@hkis.org.hk or fax (852) 2868 4612 or by post to: The SURVEYORS TIMES Editorial Board, 801 Jardine House, 1 Connaught Place, Central, Hong Kong. SURVEYORS TIMES is the Institute's official monthly newsletter circulated free of charge to all members of the Hong Kong Institute of Surveyors. Circulation: 7,100 copies.

No part of this publication may be reproduced or transmitted in any form or by any means without the written permission of HKIS. The contents of this publication do not necessarily reflect the views or opinion of HKIS or its members and no liability is accepted in relation thereto. Advertisements or any inserts appearing in the publication imply neither endorsement nor recommendation by HKIS.

測量師時代編輯委員會歡迎各界以任何形式提供意見及稿件，來稿可用英文或中文，一旦選用，文章將以原文語言刊出。所有文章出版權由上述委員會決定。來函可電郵 editor@hkis.org.hk 或傳真 (852) 2868 4612 或郵寄香港中環康樂廣場1號怡和大廈801室測量師時代編輯委員會收。測量師時代月刊免費送贈香港測量師學會會員，每期發行量 7,100份。

除非已得香港測量師學會書面同意，本刊內容不得翻印或以任何形式復制。文章內容，立場及意見並不代表香港測量師學會。廣告純屬商業活動，一律不包含香港測量師學會任何認可。

All rights reserved © 2006 版權所有，翻印必究
The Hong Kong Institute of Surveyors 香港測量師學會

Designed and printed by Corporate Press

- 2 From the Editor 編者話**
- 3 President's Message 會長的話**
- 6 HKIS News 學會簡訊**
 - Hong Kong 香港**
 - From the Council Table
 - HKIS Diploma Presentation
 - HKIS Outstanding Dissertation/Project Awards 2005
 - HKIS signs mutual recognition agreement
 - Building Management (Amendment) Bill 2005
 - Wanchai Development Phase II Review
 - HKIS supports conferences
 - Sir Edward Youde Distinguished Lecture Series 2006-2007
 - MOC/ETWB 2006 conference
 - 會長出席市建局獨立專業評估抽籤程序
 - 廣東省房地產估價師與房地產經紀人學會來訪
 - 香港測量師學會歡迎CEPA補充協議
 - Mainland 內地**
 - 學會盼望與閩加強業界合作
 - International 國際**
 - FIG Congress October 2006 - Munich
 - President attends SAA Executive Council meeting
- 19 Divisional News & Activities 組別簡訊**
- 37 Surveying Practice 測量事務**
 - Causes of action which run in parallel
 - Five fortune sticks for telling Hong Kong's property prices
 - The second hand housing market
- 45 Education 增值空間**
 - Third Generation Mobilizing System of the FSD
 - Re-establishment of old lot boundaries in the NT
 - Capital Asset Pricing Model (CAPM) in Valuation
 - Facility Management Seminar
 - HKIE YMC Annual Dinner
- 48 Personality 人物掠影**
 - Periscope 潛望鏡
 - Rina Tsoi – The Art of Life... “Gracias”
- 49 Members' Privileges 會員優惠**
- 50 Calendar of Events 活動日誌**

Another reciprocity agreement with our Mainland counterpart was signed on 27 June 2006 (page 9). Following general practice and quantity surveying, for which reciprocity agreements have been signed in Nov 2003 and May 2005 respectively, our building surveying members will now have the opportunity to expand their presence in the Mainland. The signing of the reciprocity agreement on 27 June 2006 coincided with the third anniversary of CEPA (page 14).

Signing of reciprocity agreement is of course an important first step, but as those who practise in the Mainland will know, quite a lot still needs to be done before a market wedge can be successfully created for our members in the Mainland.

Business opportunities aside, the reciprocity arrangement will bring in its wake more frequent exchanges with our Mainland counterparts and better understanding of the respective systems and practices. The uniqueness in operating environment, and hence the differences in professional practices between Mainland and the HKSAR, should be positively viewed as an opportunity for us to review our practices, and ultimately elevating our professional standards. Without claiming superiority of one system over another, integrity and professionalism, as noted in the President's message (page 3), is definitely an area where both the HKIS and our Mainland counterparts will work together in moving our profession forward.

Francis Leung

繼產業測量組和工料測量組，分別於2003年11月和2005年5月與內地對口單位簽訂了互認協議後，學會在今年6月27日簽訂了第三份協議（見第9頁）。建築測量組的會員很快就有機會開拓大陸市場。這次簽約儀式剛好碰上「更緊密經貿關係安排」三週年（見第14頁）。

簽訂互認協議肯定是重要的第一步。但正如老練的人士所說：萬丈高樓從地起，只有堅持不懈才能嚐到勝利的果實。

撇開商機而言，資格互認確實可以另香港和內地從業人員加強交流和互通。兩地的營商及執業環境的確存在差異，但不斷的正面緊密交流，將會深化雙方對專業水平和標準的認識，這個情況是正面的，是對整個測量專業有利的。優劣誰孰並非最重要，誠信和專業精神，却正如會長所說（見第3頁），是帶領兩地測量專業奔向美好明天的兩大重要因素。

梁立基



Integrity and Professionalism

Our society needs strong commitment and innovation from service industries. Surveyors have undoubtedly contributed enormously towards building a knowledge based society. Both the Institute and its members should always strive for excellence in order to remain competitive in this fast changing world. While the Institute has fulfilled its obligations to promote the surveying profession, members have also performed very successfully in achieving wider recognition.

I attended the 8th Surveyors Congress of the Institution of Surveyors Malaysia in Kuala Lumpur on 14-15 June 2006 and have delivered a speech on "Brand Management for a Professional Body" in the Surveyors' Alliance Asia session during the Congress. As you may recall, the Surveyors' Alliance Asia was formed with the three founding partners, namely the Institution of Surveyors Malaysia, the Singapore Institute of Surveyors and Valuers, and the Hong Kong Institute of Surveyors signed the agreement in November 2004 in Hong Kong. As the world moves towards globalization, Hong Kong surveyors need to think about providing the highest professional services to other places like the South East Asia, the Middle East and most importantly the Mainland.

After about three years of dialogue, the China Association of Engineering Consultants and the Hong Kong Institute of Surveyors signed an agreement on mutual recognition of qualifications on 27 June 2006 in Beijing. The agreement

allows a one-time reciprocity arrangement. Accordingly, both sides will conduct examinations for engineering consultants in the Mainland and building surveyors in Hong Kong to obtain memberships of the other side. The underlying principle of the agreement requires both sides to ensure that the membership qualifying standards should strictly be safeguarded.

The Institute welcomes the recent further liberalization measure concerning the surveying profession, announced as part of the improvement to the trade in services in the Mainland under the Closer Economic Partnership Arrangement. The measure that accepts enterprises' performance in Hong Kong will be taken into account in assessing their experience in the Mainland will facilitate quantity surveyors to set up wholly-owned construction engineering cost consulting enterprises in the Mainland. As members start to make further use of the new measure, the Institute will continue to provide the necessary support to improve members' practicing environment in the Mainland.

Members of the Institute have gained extensive international experiences in real estate appraisal, engineering cost consulting and project management, and are highly competitive in the Mainland. The mutual recognition agreements with Mainland professional bodies and the further liberalization measure for quantity surveyors are important achievements for Hong Kong surveyors to offer their services in the Mainland. Such achievements can be

attributable to the confidence that our Mainland counterparts have placed in us. The Hong Kong surveyors' professional ethics and standards have long been recognized in the Mainland. In other words, it is our integrity and professionalism in the real estate and construction industry that have made us so successful in launching our services in the Mainland.

Members' continual pursuit of high integrity ethical practices is fully supported by the Institute. The Institute will continue

its efforts to advance members' knowledge of evolving technology and know-how. High integrity and dedicated professionalism are crucial in establishing the Hong Kong Institute of Surveyors as a global provider of surveying services. Integrity and professionalism are the two main corporate values of the Institute.

Wong Chung Hang *President*

誠 信 和 專 業 精 神



社會需要服務業的創新精神和熱誠投入。毫無疑問，香港測量師學會一直貫徹創建一個知識型社會。學會及其所有會員都應該憑著不斷自我完善、與時並進的信念，在日新月異的世界裏站穩一席位。學會責無旁貸地推廣測量專業，會員們則在履行職務時，表現良好，取得各界的認同。

6月14至16日，我出席了在吉隆坡舉行的第八屆「馬來西亞測量師學會測量會議」。會議上，我在「亞洲測量師聯盟」的講座時段裏，發表了一篇有關《專業團體品牌管理》的演說。各位可能還記得，「亞洲測量師聯盟」是2004年11月在香港成立。創會的三個夥伴分別是：馬來西亞測量師學會，新加坡測量師及估價師學會和香港測量師學會。面對著一個不斷全球化的大環境時，香港的測量界一定要慎重思考如何向其它地區提供優質測量專業服務。而這些地區可以是東南亞、中東地區，當然首要是中國大陸。

經過大約三年的對話，中國建設監理協會和香港測量師學會於6月27日在北京簽訂了資格互認協議。按照協議條款，雙方將會作出一次性的互認。大家同意為內地的建設監理工程師和香港的建築測量師作出考核安排，達成資格互認的目標。而協議的主要精神，是要雙方高度保證入會的專業標準。

香港測量師學會歡迎最近公佈有關「更緊密經貿關係安

排」的開放措施。其中，允許香港的工料測量師，在內地設立獨資工程造價諮詢企業的措施，便指明在評定內地設立企業的資歷時，將考慮香港服務提供者在香港的業績。當學會工料測量師開始積極利用這新措施時，學會將盡其所能，繼續協助會員在內地執業。

香港測量師無論在房地產估價、工料成本計算或是項目管理等專業範疇，都擁有豐富的經驗和國際視野，他們在內地具有強勁的競爭力。多項與內地團體簽訂的資格互認協議和進一步對工料測量師的開放措施，都是香港測量師在內地拓展服務的重要成就。這全歸於內地專業團體對香港測量師專業的信任。香港測量專業人士的專業操守和水平，一直得到內地的承認。換句話說，我們在房地產及建造業的誠信及專業精神，成功打開了大家在內地提供服務的門。

學會全力支持會員們不斷追求高誠信的嚴謹服務，亦繼續竭力提高會員們的見識及掌握迅速轉變的科技。香港測量師學會若要向國際市場提供優質測量服務人才，提倡高度的誠信和全心投入的專業精神，將是最為關鍵。所以，「誠信」和「專業精神」是學會的兩個主要機構價值觀。

黃仲衡 會長

HKIS Annual Dinner 2006

Guest of Honour

The Hon Donald TSANG Yam-kuen, GBM

Chief Executive

the Government of the Hong Kong Special Administrative Region

Monday 27 November 2006

**The Grand Ballroom
Grand Hyatt, Harbour Road, Hong Kong**

For enquiries,
please call the Secretariat on
2526 3679 or email: info@hkis.org.hk



From the Council Table

IT enhancement and revamp of HKIS website

The Administration Committee, headed by the Senior Vice President, has been looking into the matter.

The Council also heard that both the General Practice Division and the Building Surveying Division were looking into updating the list of firms on the HKIS website. The Council discussed whether the list should be divided into two categories (firms with PII and without PII). The Divisions were asked to explore the matter further.

Guidelines for the route from TAHKIS to MHKIS

The frameworks had been clearly stated in the Bye-Laws, however, the Council has also heard that TAHKIS should take up some pre-qualified structural learning during the minimum 5 years period before they could apply for the Assessment of Professional Competence to become MHKIS; Divisional Councils would consider this newly expressed thought.

HKIS retreat 2006

The Council read the notes of the meeting on 8 April and has asked Divisional Councils to put forward their views before the Council meets in July. The meeting on 8 April covered largely on the Institute's mission and vision, strategic direction and action plans for implementation.

Revision of regulation by QSD

The Council read a set of proposed revised regulation for the Quantity Surveying Division. The proposed revision covered: the inclusion of technical membership; the inclusion of JO representatives; synchronization of the Institute's annual general meeting and extraordinary general meeting so that the Quantity Surveying Division could also hold its extraordinary general meeting for major decisions where necessary; and an increase in the number of co-opt members. The suggested proposals are now with the Honorary Legal Advisor for his comments.

CAEC-HKIS reciprocity agreement

The Council heard that the Building Surveying Division has been working on the draft reciprocity agreement with the China Association of Engineering Consultants and the signing of the reciprocity agreement would be in the very near future.

Forums on the Mainland

Vincent Luk of the General Practice Division has become Chairman of the Beijing Forum, while Miss Iris Lee of the Quantity Surveying Division has become Chairlady of the Shanghai Forum. The Council also noted that the terms of reference for mainland forums were being finalized.

External Affairs

The President, Wong Chung Hang, would be attending the Surveyors' Alliance Asia Council Meeting from 14 to 16 June 2006 in Kuala Lumpur.

From the Board of Education

The Board of Education has suggested to organize Assessors Training Workshops in order to enhance quality assurance and give more criteria as well as guidance to assessors. The General Council supported the proposal.

From the Board of Professional Development

The Council has asked the Board to seek divisional views on the proposed Guidance Notes to Mandatory Continuing Professional Development.

From Legislative Councillor, the Hon Patrick Lau

- (a) Works on several Bills Committee were on-going.
- (b) Regarding the Construction Industry Council, it was noted that professional institutes would be invited to nominate representative to join the Council.
- (c) He had attended the CAP545 Open Forum on 9 May 2006.
- (d) He would invite 40-50 young professional members to visit Pearl River Delta in mid-July 2006.
- (e) He would put forward a Legco motion regarding the strategy for development of city area. Motion wording would be circulated to professional institutes for comment. Divisional Chairmen were requested to study the motion to see if more specific demands could be included in the motion.
- (f) Regarding the Building Management (Amendment) Bill, PFMD Chairman would like to raise questions related to the DMC (Deed of Mutual Covenant). PFMD Chairman and PFMD Vice-Chairman would liaise with the Hon Patrick Lau on this issue.

HKIS Diploma Presentation



A total of 136 members (Fellows, Members and Technical Associates) have been elected on 26 January, 1 April and 25 May 2006.

A diploma presentation was held on 20 June in the Hong Kong Jockey Club to celebrate their attainment.



In his speech, the President, Wong Chung Hang, has highlighted 'brand value' as one of the most important assets. He pledges that the Institute will continue to try its best endeavor in enhancing its image. The President encourages members to support and participate in events and affairs of the Institute at all times.

Chairman of the Surveyors Registration Board, Raymond Chan, who is also Senior Vice President of the Institute, has given an introduction on the Surveyors Registration Board and



encourages member to join as a Registered Professional Surveyors after having been qualified as a Corporate Member for one year.

A total of 80 members attended to receive their diploma from the President and respective Divisional Chairman.



Members of the General Council have joined and extended their welcome to the newly qualified members. There were a total of over 140 attendees at this enjoyable and remarkable evening.



HKIS Outstanding Dissertation/Project Awards 2005

The HKIS Outstanding Dissertation/Project Awards is dedicated to the pursuit of surveying and built environment knowledge and acknowledges outstanding research work in this arena.

Winners of the HKIS Outstanding Dissertation/Project Awards 2005 received Certificates and prize cheques from the President on 20 June.

Top Award (BS) - Wan Ho Yee Holly, University of Hong Kong
Effects of management bodies on building management quality of private residential buildings in Hong Kong



Grand Prize & Top Award (QS) - Cheng Wing Man Canis, University of Hong Kong
A study on the organizational culture and total quality management implementation of construction companies in Hong Kong



Top Award (GP) - Kwok Lai San, University of Hong Kong
Hong Kong real estate agency industry: survey on important marketing factors and branding attributes in light of service intangibility

Top Award (LS) - Chan Yuk Eip Stanley, Hong Kong Polytechnic University
Remote sensing analysis of atmospheric aerosol loading in Hong Kong



Second Award (BS) - Ng Ka Hung, City University of Hong Kong
Comparative study of the deformation and sorptivity of recycled aggregate concrete made by two mixing approaches



Second Award (GP) - Tang Wing Kwan, University of Hong Kong
An empirical study of the relationship between property prices and speculative activities in Hong Kong's residential markets



Second Award (LS) - Chan Ka Chi Gary, Hong Kong Polytechnic University
An investigation into the setting out work of the Deep Bay Link project



Second Award (QS) - Fung Kun Kou Dick, University of Hong Kong
The adoption of advanced technologies for Hong Kong construction industry



As a usual practice of the Quantity Surveying Division, the **Best Performance Award for QSD APC 2005** is presented to the most outstanding candidate. This year, the Award goes to Kwok Wun Shan Femme.

HKIS signs mutual recognition agreement

On 27 June, the Hong Kong Institute of Surveyors signed a mutual recognition agreement with the China Association of Engineering Consultants (CAEC) in Beijing. The agreement was signed by Wong Chung-hang, the President of the Institute and Tan Ke-wen, the President of the CAEC. The signing ceremony was witnessed by Wang Su-qing of the Ministry of Construction of the Central Government and Helius Ng, Principal Assistant Secretary of the Environmental, Transport and Works Bureau of the HKSARG.

"In the face of the CEPA 3rd anniversary, this signing is particularly exciting. It is expected that rapid developments in the mainland will bring more opportunities to professionals in Hong Kong," said Raymond Chan, Senior Vice President of the HKIS, "the expertise and international experience of Building Surveyors in Hong Kong can definitely contribute to the development of the construction industry in the mainland."



The Agreement applies to the Building Surveying Division of the Institute. The expertise of Building Surveyors in Hong Kong is comparable with those of Engineering Consultants in the mainland. The Agreement sets the criteria for mutual recognition; one of them being only members with more than 5 years of post qualification experience will be eligible for application.

History

We have a long-term relationship with CAEC. In 1988, Professor Barnabas Chung was invited by the Ministry of Construction Supervision 建設監理司 as the principal instructor to speak in their 3-days Seminar 建設監理研討會 in Changsha. His speeches were all published in their reference publications 建設監理參考資料. It was a training seminar in preparation for the implementation of the Construction Supervision Provisional Regulations 建設監理暫行條例 which were introduced in 1989.

The research commissioned by the Building Surveying Division and conducted by Tongji University in 2002 found that Engineering Consultant is the profession in the Mainland that has similar expertise as Building Surveyors in Hong Kong.

A Memorandum of Understanding was signed in Shenzhen in December 2003 after a meeting with officials from the Ministry of Construction.

In 2005, the BSD and CAEC visited each other in order to have a better understanding on the practice of counterparts.

Facts

The agreement is a Mutual Recognition (of qualification) Agreement and is not a reciprocity agreement.

The agreement is valid for 2 years but the "mutual recognition exercise" will take place only ONCE.

The agreement does not limit the number of members to be mutually recognized. BS members who are Hong Kong residents and have 5 years relevant post-qualification experience are eligible.

Upon training and passing the assessment as required under the agreement, members of CAEC are eligible to be elected as BS members of HKIS. The application procedures should be in accordance with the HKIS Constitution and Byelaws.

Upon training and passing the assessment as required under the agreement, BS members of HKIS are qualified to become Engineering Consultants in the Mainland, subject to the registration system as established under the prevailing regulations published by the Ministry of Construction of the Central Government.

The official name for CAEC members 建設監理 in English is Engineering Consultant .



Next Step

A briefing session on the agreement will be held on 16 August 2006 in the SLC. Interested BS members please attend. Please visit: <http://www.zgjsjl.org> for more information on the China Association of Engineering Consultants.

Building Management (Amendment) Bill 2005



The Chairman of the Property and Facility Management Division, Mike Price, has written to the Home Affairs Department to say that whilst the Institute appreciates the desire to assist owners and deal with statutory repair work, it does have concerns with empowering owners incorporations to borrow money. All owners must take responsibility

for the building they occupy, which includes payment for all necessary repairs and maintenance.

The letter went on to say that the scheme outlined in the Government document is very complicated as it attempts to cover all the legitimate interests of both government and owners. It will be costly for the other owners of a building to register a notice, whilst borrowing a sum under this scheme of a maximum of \$50,000. The suggestion of an appeal procedure to the Land Tribunal will mean yet more time and costs, to be borne by owners.

Furthermore, owners usually band together and carry out needed maintenance for their building. Once a majority of owners has voted for this, money is collected and if there are defaulting owners, collection from them can be arranged through the Small Claims Court or the Lands Tribunal. These defaulting owners would be fully responsible for any collection costs incurred by the owners incorporation, and the public purse is not involved. It is felt that this is a far better process to get the job done. If, on the other hand, there are issues of insufficient funds being available, then dependent on the situation, Government could consider a grant which should be far cheaper and cost effective.

The letter concluded by saying that it remains for Government, in dangerous cases, to do the work and collect the sums outstanding, itself.

Wan Chai Development Phase II Review

The Legislative Council has sent a letter to the Institute on 30 May in relation to the Harbour-front Enhancement Review - Wan Chai, Causeway Bay and Adjoining Areas: Outcome of Public Engagement at the Envisioning Stage.

The Institute has replied and said that as a matter of principle, it takes a holistic approach towards the planning and development of the Wan Chai, Causeway Bay and Adjoining Areas by taking into account social, economic, transport, land-use planning and environmental considerations. In addition, it is also agreeable to the following derived sustainability principles for the subsequent evaluation of Concept Plans to be developed in the Realization Stage:



- Create a vibrant and attractive waterfront that is sustainable and accessible for all;
- Ensure pedestrian connectivity between the hinterland and the waterfront;
- Improve traffic conditions;
- Ensure land and marine use compatibility;
- Enhance identity by conserving natural and cultural heritage;
- Enhance environmental quality along the waterfront; and
- Enhance visual amenities, landscape and quality of space.

It is clear from various transport studies¹ that the existing east-west corridor (ie along the Connaught Road Central/Harcourt Road/Gloucester Road) serving the central business district is already operating beyond its maximum capacity. It is thus agreeable that the proposed Central - Wan Chai Bypass to be built in the form of an underground tunnel will be essential as a measure to relieve traffic congestion along the east-west corridor.

It is noted that Government has spent substantial efforts in studying alternative alignments of the proposed Trunk Road to ensure compliance with the Court of Final Appeal decision relating to reclamation. The Institute pointed out that this, however, is more than a Trunk Road project; rather, it should aim at enhancing the harbour-front areas. As the relevant capital cost is more than 20 billion dollars, Government should ensure that the vision of the Victoria Harbour (ie to become an attractive, vibrant, accessible and sustainable world-class asset) can definitely be achieved. In this regard, how the proposed Trunk Road integrates with the land-use planning and design of harbour-front areas becomes a critical issue that Government should pay particular attention.

¹ These include the Third Comprehensive Transport Study and the Report of the Expert Panel on Sustainable Transport Planning and Central - Wan Chai Bypass.

HKIS supports conferences

International Project Management Forum (Sep 2006)

The theme of this September forum to be held in the Hong Kong Convention and Exhibition Centre is Achieving Prosperity, Efficiency and Reliability covering subjects that range from property management worldwide to leadership to success. For more information, please email: ipmforum@icc.com.hk or call (852) 2559 9973.

Annual Conference of Association of Geospatial and IT Professionals and the Integraph User Group (Oct 2006)

The Conference will be held in the Marco Polo Hotel; for enquiries, please email: william.poon@intergraph.com or visit www.agitpro.org or call William Poon on (852) 2593 1665.

AGITpro was founded in November 2005 as a not-for-profit, non-political association with the primary objective to promote anti-monopoly practices and healthy business competition within the local geospatial community. It is

envisaged that by providing a medium and forum of such the geospatial-related business in Hong Kong can work together for the benefit of the industry and to maintain a high level of quality and professionalism amongst the members.

CII-HK Conference on Ageing Building (Nov 2006)

The construction industry is one of the main pillars of Hong Kong's economy. There are, however, always areas for further and continuous improvement in its operations and in the quality of its products. The Construction Industry Review Committee recognizes, inter alia, research as a key driver to steadily improve the overall performance of the construction industry through technology upgrading, and investment in construction research should be significantly increased to promote an innovation culture in the industry. To respond to the committee's recommendation, a Construction Industry Institute (CII) model is adopted to help the industry to work in collaboration with the local research community.

The purpose of the Conference is to explore the problems and to consolidate the knowledge and experience of the community on the repair, maintenance and sustainability of ageing buildings in Hong Kong. For further information, please visit www.ciihk.org.hk or call (852) 2839 7577.

2006 Mainland and Hong Kong Conference

Urban Infrastructure Development and Construction Market Regulation

(城市基礎設施建設與建築市場監管)

Urumqi

Xinjiang Uygur Autonomous Region of China

10-12 September 2006

- Impact of urban infrastructure development on urban planning
- Development and regulation of the construction market
- Construction of urban infrastructure and safety management

Organizers:

Ministry of Construction; the People's Government of Urumqi; Environment, Transport and Works Bureau, HKSARG

For enquiries, please visit www.etwb.gov.hk or call Helius Ng of the ETWB on (852) 2848 2106.

Sir Edward Youde Distinguished Lecture Series 2006-2007



The Sir Edward Youde Memorial Fund Council is now inviting applications from professional associations for the year 2006-2007. This sponsorship scheme aims to provide funding support to established professional associations in organizing lectures, seminars or symposiums, the speakers of which are distinguished scholars or persons of great prominence in their own fields. For enquiries, please email: seymfc@sfaa.gov.hk or call KY Wong of the Secretariat in the Cheung Sha Wan Government Offices on (852) 2150 6103.

The Sir Edward Youde Memorial Fund was established in April 1987 under the Sir Edward Youde Memorial Fund Ordinance to manage public donations made in memory of the late Governor of Hong Kong. The objective of the Fund is to provide for and encourage the education or learning of, or research by, the people of Hong Kong.

MOC/ETWB 2006 Conference



The Institute's representative to the Technical Paper Selection Committee, Dr Paul Ho, has advised that the selection process has now been completed. The Institute is one of the co-organizers of the event which will take place in Urumqi from 10 to 12 September 2006. Please see announcement on page 11 for more details.

LETTER TO THE EDITOR 來函

Saleable area

Property developers tend to adopt saleable area, which deviates from the original guidelines. Vivid examples are an inflated saleable area with bay windows.

There is a tendency for some architects or AP to invent a more inflated saleable area, which even includes common areas such as corridor, water closet. This happens in the arch cert or saleable area calculation of subdivision of offices.

Eric HK Chan
FHKIS

Research Assistant

Requirements

- Degree holder
- Minimum 2 years working experience
- BS, GP or QS background
- Good writing skills in English and Chinese is a prerequisite
- Probationers or qualified surveyors are welcome

Responsibilities

- Research on topics of interest or concern identified by HKIS and members
- Assembling and disseminating information
- Preparation of submissions to the government and related bodies
- Technical Secretary to divisional councils and to serve on the Local Affairs Committee

Interested parties, please apply with a full resume giving present and expected salary by e-mail to personnel@hkis.org.hk

Personal data collected will be treated in strict confidence and used for recruitment purposes only.

會長出席市建局獨立專業評估抽籤程序 President attends URA ballots

茂蘿街 / 巴路士街項目 (WC/001)



7月5日及11日，會長黃仲衡分別出席了「市區重建局」有關茂蘿街 / 巴路士街項目(WC/001)及大角咀福全街 / 杉樹街項目(TKT/2/001)「七年樓價」獨立專業評估顧問服務提供者的抽籤程序。

市區重建局在落實評估「七年樓價」的過程中，制訂了一套方案。方案內容，是採取抽籤的方式，從符合專業經驗資格並有興趣向該局提供專業服務的估價顧問公司名單中，抽取七間專業估價顧問公司，為將要開展的項目，提供假設重置單位呎價的獨立專業評估。

據市建局透露，本次專業測量顧問公司名單的產生過程，是該局先向全部七十間已在「香港測量師學會」專業估價測量

顧問公司表列登記的公司發出邀請。其中二十八間回覆並提供資料，而二十五間顧問公司符合以下資格要求：最少十年專業資格的估價經驗；最少已成立五年及不少於三位專業或技術人員（包括上述資格的專業測量師）。

福全街 / 杉樹街項目 (TKT/2/001)



過程中，該局剔除了兩間已被聘用為評估市場價值的顧問公司；又同時分別剔除了三間及兩間因其它理由而未能提供服務的顧問公司，例如該顧問公司已被業主聘用為其代表。餘下的二十及二十一間顧問公司獲邀請提供服務，最後總共分別有十四間及十六間顧問公司有興趣被納入抽籤名單中。

廣東省房地產估價師與房地產經紀人學會來訪 CIREA Guangdong visits HKIS

6月21日廣東省建設廳副處長兼廣東省房地產估價師與房地產經紀人學會秘書長劉瑞萍率領15人代表團來訪學會。

產業測量組主席劉詩韻及會員張翹楚作出了接待。會上，代表團聽取了學會簡報以外，還觀賞了最新短片。雙方就共同事宜互相交換意見。港粵兩地，一衣帶水、血脈相連，大家都同意發展的勢頭是良好的。及後，學會設午宴款待客人。下午，代表團前往地政總署，前任會長吳恒廣作了接待。之後，代表團又前往物差餉物業估價署繼續考察。



香港測量師學會歡迎CEPA補充協議 HKIS welcomes CEPA supplementary arrangements



6月29日早上，特區行政長官曾蔭權在「內地與港澳經貿合作發展論壇」上宣布即將簽訂的CEPA補充協議，會進一步開放內地市場給本港服務業界。其中包括了：『允許香港服務提供者在內地設立獨資工程造價諮詢企業；以及

在評定這些在內地設立的工程造價諮詢企業的資質時，容許香港服務提供者在香港和內地的業績可共同作為評定的依據』。

當天下午，「香港測量師學會」發佈新聞稿，表示在歡迎上述措施開放的同時，學會期待有關規則能夠儘快具體落實。

在CEPA的框架下，「香港測量師學會」在2003年、2005年及2006年分別與「中國房地產估價師與房地產經紀人學會」、「中國工程造價管理協會」及「中國建設監理協會」簽訂資格互認協議書。前二者考核程序經已取得圓滿成功。此舉落實了CEPA關於『雙方鼓勵專業人員資格的相互承認，推動彼此之間專業技術交流』的要求，更為CEPA關於建設領域其他安排的實施奠定了基礎。

「香港測量師學會」會員資歷一直得到世界認同，憑著他們豐富的國際經驗、人才互動、兩地業界緊密的合作及交流，肯定會為整體測量專業帶來新景象。有關測量師在內地註冊執業及開設辦事處的資格審批等商討，「香港測量師學會」冀望在CEPA的逐步完善，加上行政措施的配合，該等問題可以儘快迎刃而解。

隨著國家的經濟發展，香港測量師期望在測量專業範疇作出貢獻。



學會盼望與閩加強業界合作



學會前任會長廖凌康，於七月中旬連同香港專業聯盟應邀出席了福建省政府在福州舉行的交流會。香港專業聯盟主席梁振英表示，福建省政府希望更加積極跟香港的專業合作，把握國家「十一五規劃綱要」要求發展服務業的機遇。過去，香港專業服務合作主要在廣東、上海和北京一帶，較少在福建省。

學會前任會長廖凌康，於七月中旬連同香港專業聯盟應邀出席了福建省政府在福州舉行的交流會。香港專業聯盟主席梁振英表示，福建省政府希望更加積極跟香港的專業合作，把握國家「十一五規劃綱要」要求發展服務業的機遇。過去，香港專業服務合作主要在廣東、上海和北京一帶，較少在福建省。

Congratulations

8 April 2006
Little Wilson
(朗朗)



3.5 kg (That's about 7.5 lbs)
born to Donna and Wilson Tse



Daddy is a member of the Institute and mommy works in the Education Department of the Institute's Secretariat.

Baby is particularly bright-eyed and savvy. Those eyes say: hey, I wasn't born yesterday, you know.



Lucky Draw Winners

1st left
- Robin Leung (BSD Hon Treasurer)

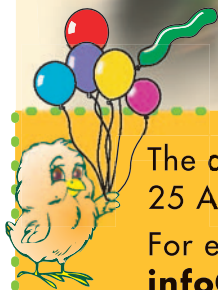
2nd left
- Danny Cheung (GPD)

2nd right
- Lesly Lam (LSD)

1st right
- Chris Kam (GPD)



6pm to 8pm at HKIS Library
黃昏6至8, HKIS圖書室
last working Friday of every month
每月最後一個工作星期五



The dates of Surveyors Happy Hour for 2006 are:
25 August, 29 September, 27 October, 24 November and 29 December.
For enquiries, please email the HKIS Office at:
info@hkis.org.hk or **telephone (852) 2526 3679.**



FIG Congress October 2006 - Munich



A highlight of the German presidency of FIG from 2002 to 2006 - this is the second time that German surveyors have been leading this world-wide federation; the

German Council certainly has lived up to the motto of "Shaping the Change".

In the technical programme of the FIG Congress there will be more than 500 papers and posters in more than 100

technical sessions, workshops and scientific meetings. It is time to register for the XXIII International FIG World Congress in Munich, Germany from 8 to 13 October which will take place concurrently with the INTERGEO 2006, the largest international congress and fair for geodesy, geo-information and land management. That will make Munich the focus of international activity for one week in 2006, at least for surveyors.

Please visit www.fig2006.de for more information.

Munich, world-renowned Bavarian capital of science (including geodesy and geo-informatics), technology, arts and culture and - of "joie de vivre"!

President attends SAA Executive Council meeting



On 14 June, the President, Wong Chung-hang, attended the 3rd Executive Council Meeting of the Surveyors' Alliance Asia in Kuala Lumpur.

Representing the Institution of Surveyors Malaysia were Sr John S C Loh (Immediate Past President), Sr Ong See Lian (Past President), Sr Noushad Ali Naseem Ameer Ali (Deputy President), Sr Eddie Wong (Vice-President, QS Division) and Sr Hj Abdullah Thalith Md Thani (Vice-President, PCVS Division)

Representing the Singapore Institute of Surveyors and Valuers were Professor Dr Lim Lan Yuan (President, VGP Division) and Lee Li Chuan (Past President, LS Division).

The 3rd SAA Executive Council agreed that the list of office bearers and councilors of the founding partners is to be posted in the SAA Website. HKIS will follow up on the compilation of the Register of Councillors of Founding Bodies. It was also agreed that there should be a second level of communication amongst the respective Divisions

of the Founding Partners.

The meeting proposed that a list of accredited/recognized courses and universities of founding partners should be exchanged for information.

After having gone through a few proposed designs of the letter-head, it was decided to select the one with the logo on the right-hand corner and the names and addresses of the founding partners to be listed in the bottom of the letter-head.

The IT Officer of ISM demonstrated the draft website contents of SAA. The SAA Website will be launched tentatively in September 2006.

As the first SAA inaugural annual function, an SAA session was held on 15 June 2006 in conjunction with the 8th Surveyors Congress. The 2nd SAA annual function would be concurrent with the FIG Working Week 2007 (May 2007) in Hong Kong. HKIS has undertaken to explore the possibility

Speech by the President, Wong Chung Hang, at the 8th ISM Surveyors Congress

14-15 June 2006, Kuala Lumpur

Brand management for a professional body

For a professional body, a brand is a promise, not only an image. The promise is made to its members and the public. Therefore, there are internal and external “customers” that a professional body needs to handle as far as brand management is concerned. Basically, brand management for a professional body is a strategy to increase members’ loyalty and to raise both government and community awareness of the professional body.

There are challenges posed by other local organizations. At the same time, a professional body has to reposition itself in coping with the effects of globalization. There is an imminent need for a professional body to implement its strategies to capture the media attention on its own professional brand.

Satisfying Members’ Needs

Membership loyalty cannot be taken for granted. There is a need to implement a brand strategy that can make members feel proud of being members of the professional body. Frequent media exposure is an effective means to bring out the distinct identity about a profession. As a result, it will increase members’ loyalty to the professional body.

However, a professional body should seek continuing improvement in order to fulfill members’ immediate and long-term needs. A professional body must put membership care in the foremost. Brand management for members is a promise to provide better services, which also involves members themselves to provide the services. It needs to invoke in the members a strong sense of ownership.

Safeguarding professional standards in building stronger competitiveness is always the main concern of members. To many, membership of a professional body is a qualification for them to make a living. The success or failure of a professional body can be judged by the work it has done to advance the interests of its members.

Meeting Public Expectations

To the clients of a professional service, it is important that a professional body is branded as a regulatory body in upholding professional ethics. Membership quality is a matter of paramount importance. A professional body should pay due regard to the need of assessing the professional competence of its potential members before accepting them as corporate members. Reciprocity or mutual recognition with other professional bodies should be carefully studied before signing the agreements. Such agreement should also be reviewed regularly to ensure the parity of standard.

On the other hand, the general public is more interested in the functions of a professional body and its role in society. A professional body has an intrinsic duty to make contributions to society. In terms of brand building, advocacy is the most accessible role that a professional body can have an edge over commercial organizations and other non-local professional bodies. Advocacy is the ability of a professional body to use its professional understanding on issues to recommend plans and actions to the government.

Knowing Corporate Values

A professional body has to rethink its corporate values when facing the constant and rapid changes in society. The management of a professional body should often ask themselves the following brand management questions:

- Is the profession still valuable to society?
- How does it raise the professional body’s standing?
- How does it increase members’ participation?
- How does it enhance members’ competitiveness?
- Has the profession been effectively regulated?
- Are the professional services up to the new requirements?

The six preceding questions are in fact the fundamental core values of establishing a professional body. The six core corporate values for a professional body can be identified as social responsibility, thought leadership, sense of ownership, membership care, integrity and professionalism. When it comes to implementing the brand strategies, it all boils down to how well a professional body knows about its corporate values.

In Hong Kong

Hong Kong is highly cosmopolitan and very unique internationally. Hong Kong is economically vibrant and politically lively. Hong Kong people are socially inclusive and pluralistic. The city is full of diversified interests, but there is fair competition in almost every sector.

Low key public relations is not appropriate for local professional bodies nowadays. Being a local professional body, the Hong Kong Institute of Surveyors has to take care of a host of many economic and political issues. The HKIS has a duty to give advice to the government and other related organizations. The HKIS does not refrain from commenting on economic and political issues. There are different ways for the HKIS to communicate its opinion to the government, the media and the general public. The HKIS needs to adopt a proactive public relations strategy in building a brand.

Some overseas organizations use Hong Kong as a stepping stone to mainland China. Their strategies have created pressure to the HKIS. The HKIS needs to be aggressive vis-a-vis the effects of globalization. There is also a need for the HKIS to make its own case in order to be recognized as a leading professional body both locally and internationally. The HKIS should do what it can to capture maximum media coverage.

Playing Advocacy Role

The public recognizes that views expressed by the Hong Kong Institute of Surveyors are impartial and carry a lot of weight due to its professional and local experience. In order to let the public have a better understanding on the various land and infrastructure development issues, the HKIS has done a lot of research to reveal the real situations and has been proposing suitable solutions to current problems.

The HKIS has been able to choose the right subjects for its

research work most of the time. Usually, it is able to make an announcement on a specific topic at the same time it happens. Sometimes, the HKIS needs to act fast. The media is interested in knowing the professional bodies' public comments ahead of the events.

The present HKIS spokesmen system is rather well formalized after years of implementation. Different divisions of the HKIS have different functions and roles to play in the real estate sector and the construction industry. In addition to the President and the two Vice-Presidents, each of the six divisions has appointed its own spokesmen. The Local Affairs Committee was formed in the last council year with the objective of strengthening the HKIS role in handling government public consultations. The chairman of the Local Affairs Committee is responsible for publicity matters of multiple divisional interests. The "three + six + one" spokesmen system has been very useful in promoting the right identity of the HKIS.

Conclusion

In managing its brand, a professional body has to define a strategy that will suit what its members want and that, in the long run, will bring benefits to its members. A professional body also needs to serve the best interests of the community. A professional body can start managing its brand values by doing the following:

- Run campaigns to promote the corporate values;
- Define the vision and mission statements;
- Work out the strategic directions and formulate long range plans;
- Recognize the competition from other local and international organizations;
- Take advantage of its own edges to create more benefits to members with a view to earning their loyalty;
- Enhance the methods of communication amongst its members;
- Engage in researches to strengthen its thought leadership role;
- Play the advocacy role to influence the thinking of the government, the media and the public;
- Formalize a spokesmen system with proper coordination support.

There are always resource problems in satisfying members' needs and meeting public expectations. However, the society is changing every day. A professional body needs to be more progressive. Crises are but opportunities for every organization to do better.

Building Surveying Division Chairman's Message



Edwin Tang
BSD Council Chairman

Signing of Mutual Recognition Agreement with the China Association of Engineering Consultants (中國建設監理協會)



The signing ceremony was in Beijing on 27 June. It was right before the 3rd anniversary of CEPA, the ceremony had quite a good media coverage. I am not going to repeat the history and facts of the Mutual Recognition Agreement as you will find more on page 9 in this issue of the Surveyors Times.

I would just highlight a major change on a condition, which was agreed at very late stage of the negotiation. The Agreement now stated that there should be

only one "mutual recognition exercise" but the number of candidates to be recommended for mutual recognition shall be agreed by both parties. In view of such limitation, we are negotiating with our counterpart to see if the 5 years post qualification experience could be counted up to 26 June 2008,



the expiry of the Agreement, so that more members can benefit from the Agreement.

We will invite applications shortly. BS members who will have 5 years post qualification experience as at 26 June 2008 should come to our briefing session on 16 August. Who knows what will be the arrangement when the Agreement is spent!



Review on Code of Measuring Practice

GPD and BSD have formed a working group to review the Code which was published more than 10 years ago. The first stage of the review will stress on "Saleable Area" while the second stage will cover "Gross Floor Area" and other common terms like "dedicated area". Members' views will be sought separately.

The Building Affairs Tribunal (BAT) Proposal

In order to carry the proposal forward, we are going to touch base with the Law Society of Hong Kong. The direction for the time being is to explore the feasibility of incorporating our initiatives into the Land Tribunal mechanism.

Draft revised Design Manual: Barrier Free Access by the Buildings Department (BD)

Our Technical Advisory Panel (TAP) has submitted comments (available at our website) to BD on the draft revised Design Manual. We do not support the idea on having retrospective application to buildings completed before 1997 and also recommend allowing relaxation or exemption in the following situations:

- Small shops;
- Minor Alterations and Additions;
- Tactile guide path in shopping arcades.

Draft Guidelines for the Inspection of Buildings by Buildings Department

BD is preparing the Guidelines for the Inspection of Buildings under the proposed Mandatory Building Inspection Scheme. Our representatives in the Building Sub-committee of LBAC found that the first draft looked like an operation manual containing very detailed description of working procedures and steps in preparing and conducting the inspections. They recommended that the Guidelines should only set out the basic frameworks and coverage of the inspections as well as the assessment criteria for certain critical items.

The Coalition of Professional Services Atypical Pneumonia Charitable Trust (CPSAP)

We have recently received a sum of HK\$200,000 being approval of our application in mid 2004 to the CPSAP for

the project "Promotion of Planned Building Maintenance". Because of the lapse of time, we will review the deliverables of our proposal in due course.

Important Events !

- 31 July : CPD on **The Myth of GFA** by Professor Barnabas CHUNG
- 16 Aug : **Briefing Session** on the Mutual Recognition Agreement with CAEC
- 16 Sep : **BS Conference 2006**

Announcement - BSD

BS APC Practical Task 2006 Monday 6 to Thursday 9 November 2006

Applications should be made on
Form APC6 / BS

Re-applications should be made on
Form APC6R / BS together with application
fees of HK\$1000

All applications will be accepted only within
the month of August 2006

Late applications will be rejected. Incomplete
applications will not be entertained.

General Practice Division Chairman's Message



Serena Lau
GPD Council Chairperson

Registered Professional Surveyor (GP) Compulsory Registration or Not?

Hong Kong is a free market and, most of the time, the public would appreciate and have trust in professional institutions in monitoring their members rather than implementing a Government controlled registration system. However, most of our overseas and mainland counterparts do have a registration system particularly in asset valuation in order to protect the interest of the public. This Council has decided in a meeting in June to seek funding from the Surveyor Registration Board to conduct a study of the rationales and the needs of a registration system in Hong Kong. KK Chiu, our Vice Chairman, will be the convener of the task force to follow up on this issue.

廣東省房地產估價師與房地產經紀人學會來訪

廣東省房地產估價師與房地產經紀人學會在6月21日來訪，詳情請見第13頁。



Message to members who have obtained membership of the China Institute of Real Estate Appraisers and Real Estate Agents ("CIREA") via reciprocity arrangement ('members') – to fulfill the CPD requirement of CIREA

On behalf of the CIREA, please be informed that CIREA has compulsory CPD record checking annually. After discussion with the CIREA, the Institute will issue a letter to members annually and request them to submit and declare their fulfillment of CPD requirements. In general, CPD events organized by the HKIS are accepted as valid CPD hours by the CIREA.

External Affairs

Thanks to Andrew Chan, Ronald Cheung and Albert Pang who have represented HKIS in presenting a paper at a CPD event for CIREA members on 18 May in Zhuhai. A discussion forum and a cocktail were held on 19 May in the Surveyors Learning Centre of HKIS for about 70 CIREA members (most of them are also HKIS members).

Thanks to Yu Kam-Hung, our immediate past chairman, for representing HKIS and presented a paper at the Property Conference held in Cairns, Australia. The Conference was organized by the Australian Property Institute and the New Zealand Property Institute.

Government Practices and Local Affairs

New **Practice Note No. 5/2006** relating to Fast Track Procedure for Processing the Second Appeal Relating to Premium Assessment for Lease Modification Transactions can now be downloaded from www.info.gov.hk/landsd. Special thanks to our working group, represented by Andrew Fung, Eric Ho, Stephen Ip, KL Leung, CK Lau and other members who had spent a lot of time in liaising with the Lands Department.

"Removal of non-offensive trade clause" has become a hot topic since the end of last year when the Lands Department

Helpers wanted!

A golden opportunity to apply your surveying knowledge, to acquaint with the developers' world and their marketing language

HKIS members are welcome to join the organizing committee, please email: linda@hkis.org.hk or call (852) 2526 3679 for details.

Top Ten Best Project Marketing Awards
十大最佳市場推廣大獎

Top Ten Best Brochure Awards
十大最佳樓書大獎

Top Ten Best Layout Awards
十大最佳樓則大獎

**HKIS
PROPERTY
MARKETING
AWARD
CEREMONY
2006**

香港測量師學會

二零零六年

大樓盤頒獎典禮

had been pending in processing applications related to removal of "non-offensive trade clause" without clear and public explanation to the public. Although the Lands Department has informed the Legislative Council via a Panel meeting on Food Safety and Environmental Hygiene in July that it will revert to previous practices, details are yet to be clarified. We agree that Government should periodically reviewed land administration practices and introduced changes to more accurately reflect the prevailing circumstances in order to protect public interests. However, advance consultation with professionals and stakeholders are highly recommended to avoid confusion and disturbance to the affected trades.

Lawrence Pang, our Vice Chairman had attended the Legislative Council panel meeting on Food Safety and Environmental Hygiene

The Working Group on Professional Fees for Compensation Claims, headed by Stephen Yip (convener) with Rock Tsang and KK Chiu as working group members, has on behalf of HKIS discussed with the Lands Department from time to time. After discussions and agreement with the Lands Department, you are now recommended to use the "Standard Authorization / Appointment Letter" and a standard proforma of Valuation Submission for Compensation Claims which can be downloaded from HKIS web site. The use of "Standard Authorization / appointment Letter" is expected to simplify the procedures for eventual request for professional fees. The "standard proforma of valuation submission for compensation claim" is to set a yardstick for Lands Department to determine whether a full scale fee is to be paid.

List of Independent Valuers

This Council recently received three applications, with two applications pending for further information. Ringo Lam has been admitted on the List in the Council meeting held in June. For members' reference, we have hereby listed out the existing name list of Independent Valuers.

As at July 2006, the List comprises Nicholas Brooke, Paul Brown, Tung Ngok Tony Chan, Alan Child, Ian Cullen, Paul Dwyer, David Faulkner, David Forshaw, Ringo Chun Chiu Lam, Liu King Tong, Simon Lynch, Gordon Moffoot, Sai Hee Victor Ng, Pang Shiu Kee, Chun Hin Albert So, Vincent

Togher, Paul Varty, Moon Wah Stephen Yip, Yu Kam-hung, Kwok Man Gilbert Yuen and Kit Ying Cynthia Yung.

Criteria to be admitted in the List of Independent Valuers

- A Fellow or Member of HKIS;
- 10 years post qualification experiences in Hong Kong;
- The immediate past 5 years experiences should mainly involve property valuation; and
- No having been sued successfully for professional negligence in the past.

Please send your Application to Administration Office of HKIS.

Nominations and Appointments of representatives from the GP Division

This Council has appointed Simon Cheng and Tony Wan to be the representatives to the FIG 2007 Organization Committee.

Announcement - GPD

APC Final Assessment 2006

The GPD APC Final Assessment 2006 will take place on 12 October 2006 (10am - 1pm) at the Southorn Stadium, Wanchai. Application forms for the Final Assessment are now available from the HKIS Office and completed forms must be returned to HKIS no later than 5:30pm, Thursday, 31 August 2006. Late submissions will not be accepted. You may also download the application form from www.hkis.org.hk.

Land Surveying Division Chairman's Message



Dominic Siu
LSD Council Chairman

Surveyors Luncheon in honor of FIG President Prof Magel - November 2006

FIG President Prof Magel has confirmed his visit to Hong Kong from 1 to 3 November after his trip to Beijing. Prof Magel is invited to be the guest of honor in the HKIS Surveyors Lunch to be held on either 2 or 3 November and he has kindly agreed to deliver a speech to our

members and guests.

The Land Surveying Division is now in the throes of organising this special event and Maris Lo, council member, is responsible for the detailed arrangement of this Surveyor's Luncheon with the support of Margaret Yung and other staff in the HKIS office.

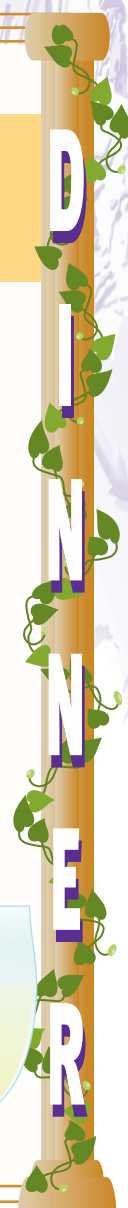
LSD Annual Dinner 2006

Friday
15 September 2006
8/F., Happy Valley Stand
Happy Valley Racecourse
The Hong Kong Jockey Club

HK\$480 per person

For enquiries and reservation,

please contact Coody Ko at 2526 3679 or email: coody@hkis.org.hk



Planning & Development Division Chairman's Message



Edwin Tsang
PDD Council Chairman

CPD Events



Andrew Lam, Planning Principal of EDW, former Director in Planning & Development Division of URA gave a talk

on 29 June 2006. The talk was well received. The next CPD event speakers will be Professor Lawrence Lai and Eureka Cheng respectively.

CPD Visit to Guangzhou

The Division is proposing a trip to visit the Planning Bureau and Lands Bureau in Guangzhou in early November 2006. Details will be released later.

P&DD Website

The P&DD Website will be launched in August 2006.

Property & Facility Management Division Chairman's Message



Mike Price
PFMD Council Chairman

July 28 was our last Council Meeting before the summer break. There will be no article from me for August. We all hope you have a great holiday.

Hot topics discussed included the certification of surveyors. The feeling is that this would be a confusing title for the public; and the divisional council has taken the view not to support, a "Certified Property and Facility Management Surveyor". The view is surveyors should have a simple straight forward brand, easily understood by all.

Kenny Chan and his team on the Divisional Education Committee has done a sterling job in finalizing the entry requirements for our APC and ATC, in terms of required degrees, whether cognate or not. We can now go out and market to universities and surveying firms to show the clear benefits of membership of the Property and Facility Management Division. Details will be posted on the web site.

On the CPD front, Alan Wong, Daniel Hui, and Gary Lai have organized 3 successful events, and the start of our structured CPD programme with the Hong Kong Polytechnic University. Events included "FM in the Building Life Cycle",

"Managing Retail Traffic Flow"; and "Healthcare and Facility Management". Our first structured CPD featured Ivan Yu, MHKIS, of the 'Link Reit', talking on the "Renovation of a Shopping Centre", with some 27 members attended, plus 27 from outside institutions.

As chairman I had the pleasure to visit the opening of the new combined offices of the Hong Kong Institute of Housing (HKIH), Chartered Institute of Housing, HK Association of Property Management Companies, and Housing Managers Registration Board. I was warmly welcomed. Your divisional council is looking to have good relationship with these organizations, with the possibility of reciprocity of membership in due course. I will shortly be meeting Kenneth Chan, Chairman of the RICS FM Faculty with a view to having a joint APC, and co-operating together for surveyors' benefit on a broad range of issues. I hope shortly to meet again with the Chairlady of the Institute of Shopping Centre Managers.

Have a great summer, and do attend our first lunch in September 2006, which we will advise you of soon. We are moving constantly forward and building the foundation of a great division.

Quantity Surveying Division Chairman's Message



Dr Paul Ho
QSD Council Chairman

Welcoming Dinner and Diploma Presentation for Newly Qualified Surveyors

QSD has organized welcoming dinners for our newly qualified members for some years. This year, the event was organized by the HKIS for all Divisions and that took place in the evening on 20 June 2006 in the Happy Valley Racecourse. At the dinner, the President delivered his opening speech and presented the diplomas to the newly qualified members (87 of them from the QS Division).



In the same evening, the HKIS also presented certificates and prizes for the Outstanding Dissertation Awards and the Best APC Paper in 2005. Council members also took this opportunity to share their work and life experience with the young members. On one hand, QSD will try to help young members to become qualified members. On the other, it is hoped that they will also contribute to both the QS Division and the Institute.

Supplement to CEPA

The HKSAR Chief Executive has announced at the Mainland, Hong Kong and Macao Trade and Economic Cooperation Forum held on 29 June 2006:

"...to allow Hong Kong service suppliers to set up wholly-owned construction engineering cost consulting enterprises in the Mainland. When applying for qualification, the performance of the Hong Kong service suppliers in both Hong Kong and the Mainland is taken into account in assessing their qualification in the Mainland..."

It is hoped that the above specific commitments under CEPA Supplement will help to resolve various problems being encountered thus far in the establishment of a wholly-owned cost consulting firm in the Mainland.

APC Reform

Subject to relevant formal approvals within the HKIS, the APC Subcommittee of the QSD has in principle approved the following major changes to the existing APC rules and guides:

- 1 The minimum training period will be 24 months with not less than 440 working days in order to be in line with other HKIS Divisions.
- 2 The areas of experience or competency will be updated/changed to cater for candidates working in different construction areas.
- 3 The minimum hours of pre-qualification structured learning (PQSL) will be increased to 96 in order to strengthen candidates' competencies.
- 4 Based on the self-financing principle, QSD will organize practically oriented PQSL courses to help APC candidates.
- 5 The practice problem which currently comprises two half days' work responding to written questions will be maintained, but will be divided into two distinct papers. Candidates who fail in one paper may only need to re-take that paper in the next attempt.
- 6 More emphasis will be placed on the professional interview to assess candidates' competencies.

An open forum will be held on Monday, 14 August 2006

at 6:30 pm in the HKIS Surveyors Learning Centre in order to collect more views from members. All interested parties are invited to attend this open forum. For enquiries, please call the Secretariat on 2526 3679.

Other Activities

On behalf of HKIS, I have participated in several external activities including: (1) being interviewed by a number of newspapers in respect of the construction cost of the proposed Tamar Development project; (2) acting as a speaker to deliver a CPD seminar entitled "Development of Public Private Partnerships (PPPs) in China" for HKIS on 23 June; (3) acting as one of the speakers to deliver a speech on "Risk Management of PPP Projects" in a seminar organized by the Frontier at the Hong Kong Polytechnic on 24 June; (4) presenting a paper to LegCo in respect of the "Wan Chai Development Phase II - Harbour-front Enhancement Review - Wan Chai, Causeway Bay and Adjoining Areas: Outcome of Public Engagement at the Envisioning Stage" on 26 June; and (5) acting as a member of the Technical Paper Selection Committee for the "Urban Infrastructure Development and Construction Market Regulation" conference jointly organized by the ETWB and MOC.

Announcement - QSD

APC Reform Quantity Surveying Division

Open Forum

6:30pm - 8pm

Monday 14 August 2006

Surveyors Learning Centre

811 Jardine House

1 Connaught Place, Central, Hong Kong

For enquiries, please call the secretariat on 2526 3679.

Junior Organization Chairman's Message



Billy Wong
JO Chairman

What has happened in June



- JO representatives attended welcoming Dinner and Diploma Presentation for Newly Qualified Members on 20 June 06.
- A Seminar on Avian Influenza Crisis was held on 22 June 2006, HKU CAMPUS. JO was one of the co-organizer for the event.

- APC Mock Assessment Camping for BS candidates was successfully held 24 & 25 June 06.
- JO representative attended the ceremony of signing of mutual recognition agreement between BSD with China Association of Engineering Consultant in Beijing on 27 June 06.

Coming Up

Are you ready for the summer vacation? JO has organized a variety of activities including:

- Macau Site Visit scheduled to be held end July 2006 to review Venetian and future development of Macau.
- BBQ and outdoor activities scheduled in August.
- Jazz course scheduled in August & September.
- APC workshop for GP candidates scheduled in August & September.
- Taiwan study tour scheduled in September

Who are members of JO

Probationers, Student members, technical trainees, Members & Technical Associates who are aged under 40.

And of course, all JO activities welcome all members. Any proposals on theme of CPDs, social events and/or ideas you would like JO to consider, please email wongbilly@hkis.org.hk. We would try our best to serve.

A most moving experience

HKIS Dragon Boat Team aimed high in 2006. The Team was determined to end the season on a high note. It did - winning of the Championship of Class B Chinese Men's Cup 2006, amongst 34 competitors, on 31 May - elevated the HKIS to the top of the league and warmed a lot of hearts, including that of the President, CH Wong, who dotted the dragon's eyes.

The boys have settled in well and have been enjoying themselves in all the celebrations.

*Hearts are neat,
Oars in beat.
Thus we shall row,
2007 lets go, go, go!*



Some 2006 fact

- Coach Joseph the Devil would not let the team drink the nights before training (some of the boys just broke down); there have been a total of 10 trainings and one session even saw the amber rainstorm warning
- the fair-skin paddlers and drummers all wearing SPF30 surrendered to the evil sun (broken skin and the thought of freckles made some cried)
- abundant paracetamol were used to relieve muscle pain, strained ankles and wrists and even more lozenges were used to relieve sore throats (the first-aid box was the most used tool)
- a total of over 60 paddlers, 20 helpers, 20 cheer leaders, 3 coaches, 3 drummers and 5 photographers from within the surveying profession



CPD/QS/2006052

The future of cost management of construction projects in China

Speaker Dr Ng Wing Fai PhD, MHKIS, Deputy Director, Widnell Ltd

Dr Ng is a member of the Education Committee of the China Engineering Cost Association (CECA). In 2005, he has been involved in research projects funded by the Ministry of Construction which focus on four aspects of reform in cost management in China's construction industry: (1) Knowledge base and capability structure of cost engineers; (2) Payment, final account and bond letter; (3) Tender documentation and bidding strategy; (4) The dilemma of the lowest bid.

Date & Venue 2:30pm – 4:00pm Saturday 12 August 2006 SLC, HKIS

Details Reforms in cost management of construction projects in China have encountered major obstacles. Firstly, a belated reform in contractual arrangement has lessened the role of bills of quantities in obtaining market level tender price and rates. Secondly, a tendering procedure heavily regulated by the government makes it almost impossible to divert the client's market risk. This presentation tries to compare and contrast the international practice and China's particular approach to cost management of construction projects, such that an expanded role of the Q.S. can be sought under the background the newly promulgated "Construction Project Management" (daijian) system.

Language Cantonese supplemented by English
Deadline 4 August 2006

Fee \$120 per person
Priority QSD Members

CPD/BS/2006076

Briefing on CAEC mutual recognition agreement

New

Speakers Raymond Chan - Senior Vice President; Edwin Tang - Chairman of BSD; Robin Leung - Hon Treasurer of BSD and Vincent Ho - Council member of BSD

Date & Venue 7:00pm - 8:30pm Wednesday 16 August 2006 SLC, HKIS

Details The Hong Kong Institute of Surveyors signed a mutual recognition agreement with the China Association of Engineering Consultants (CAEC) in Beijing on 27 June 2006. Under this agreement, Members of the Building Surveying Division with 5 years relevant post qualification experience will be eligible for application to be recognized for registration as Engineering Consultants in mainland. However, there are also some important points that Members should observe before he/she makes the application.

To give members more detailed information and to address any queries that members may have, a briefing session is organized for the purpose.

Language Cantonese

Fee Free (Please use the standard CPD reservation form to secure a seat for the briefing session. Walk-in is also welcome if seats are still available.) Reservation by fax is acceptable, and confirmation will be returned by email.

Priority Priority will be given to corporate members of BSD

CPD/JO/2006071

APC Series – Basic Principles of Preparation and Assessment of Loss & Expenses Claims

Speaker Ivan Cheung BSc (QS), DipArb, MRICS, MHKIS, MCI Arb, HKIAC Accredited Mediator

Ivan is a Chartered Quantity Surveyor and practising mediator accredited by the Hong Kong International Arbitration Centre. He is an associate with EC Harris (Hong Kong) Ltd specializing in providing contract advisory services and handling construction disputes. He had previously worked with a quantity surveying consultancy and claims consultancy. Ivan has significant experience in dealing with the construction claims and disputes. He has been frequently appointed as expert witness and has given oral evidence at hearings in arbitration and court proceedings.

CPD/PQSL EVENTS

Date & Venue 7:00pm – 8:30pm Thursday 17 August 2006 SLC, HKIS

Details Preparation and assessment of loss and expenses claims are one of the important areas of approved working experience for Assessment of Professional Competence (APC). In this seminar, the speaker will give a thorough explanation on the basic principles of how loss and expenses claims are to be prepared, including various heads of claims and the approaches of how each of them can be calculated and assessed.

Language Cantonese supplemented by English
Deadline 5 August 2006

Fee \$100 per person
Priority Probationers and Students

CPD/LS/2006079 (CPD Hour: 2 hours)

Half-day Technical Site Visit to Shenzhen Western Corridor



Speakers Ir Andrew Kwong, Resident Engineer; Albert Tse, Senior Survey Officer

Date & Time 9:30 am to 12:30 pm Saturday 2 September 2006

Gathering Place 8:15 am at junction of Somerset Road and Kent Road, Kowloon Tong

Details The Construction of HK-SWC, which will cross the water of Deep Bay, will serve as the fourth vehicular crossing between the two regions. This project composed of two cable-stayed bridges and twin prestressed-concrete single cell box girder bridge along a 5.5km long alignment, 3.5km inside Hong Kong and 2km falling within the boundaries of Shenzhen. In the Hong Kong Region, the 210m long main span of the cable-stayed bridge is supplemented by a 99m long back span and two sides spans 74.6m in length. The road is about 15m wide and carries three lanes and a hard shoulder.

In the technical visit, the speakers will mainly introduce the viaduct works including the cable-stayed bridges and the prestressed-concrete single box girder bridge.

Deadline 18 August 2006
Remarks Please note that you MUST equip yourself with your own safety footwear for this visit. Limited number of safety helmets will be provided on site. Accepted members who fail to do so will not be allowed to enter the site.

Fee HK\$150 per person
Priority Places limited to 30.
Priority will be given to LSD Members

CPD/JO/2006075

APC Series - Legal Considerations for Building Design



Speaker Ben WH Chong FHKIS, FRICS, MCI Arb, FBEng, AP, RPS(BS), Member of Surveyors Registration Board

Date & Venue 7:00pm - 8:30pm Monday 11 September 2006 SLC, HKIS

Details Ben WH Chong is a building surveyor who has over 20 years experience in building control. Currently he is acting Chief Building Surveyor of the Legal Section of Buildings Department. In this seminar, Mr Chong will give a quick illustration on the procedure of building plan submission in the private sector, followed by an introduction of the ordinances, regulations and codes governing building design and construction. He will also brief participants on the new Building (Planning) (Amendment) Regulation 2005 which is about site classification for building design, with illustrated cases to facilitate a better understanding on the topics.

Language Cantonese supplemented by English
Deadline 28 August 2006

Fee HK\$100 per person
Priority Probationers and Students

CPD/QS/2006080

Construction Project Management (daijianzhi) in China



Speaker Dr Ng Wing Fai PhD, MHKIS, Deputy Director, Widnell Ltd

Dr Ng is a Consultant Professor of the Beijing Jiaotong University. He is also a member of the Education Committee of the China Engineering Cost Association (CECA). Since 2005, he has been delivering seminars at Beijing, Taiyuan, Shanghai and Chengdu on international construction project management to Chinese government officials and professionals under the auspice of the State Reform and Development Commission and the Ministry of Construction.

Date & Venue 2:30pm - 4:00pm Saturday 16 September 2006 SLC, HKIS

Details China's particular approach to construction project management is widely regarded as a timely measure to rectify the long-standing issues of time and cost overrun in its construction projects. However, debates surrounding "daijianzhi" is equally acute. Whether a consultancy or a contracting role of the "daijianzhi" should be prioritized? How can the traditional roles of the design institute and supervision engineer be modified to suit the emerging situation? In an attempt to explore the possible extent of input from the Hong Kong professionals, this presentation tries to review the different "daijianzhi" currently practised in Beijing, Shanghai and Shenzhen.

Language Cantonese supplemented by English
Deadline 8 September 2006

Fee HK\$120 per person
Priority QSD Members

CPD/JO/2006078

Disruption Claim and Record Keeping – A Practical Perspective



Speaker CY Fung B App Sc, LLB(Hons), PgD (Constn Law, Med & Arb), MRICS, MHKIS, MCI Arb, RPS(QS)

Date & Venue 7:00 pm – 8:30 pm Thursday 19 October 2006 SLC, HKIS

Details CY Fung is a Chartered Quantity Surveyor who has worked in the construction industry for more than 15 years, and is currently a Commercial Manager of Gammon Construction Ltd, responsible for the commercial matters for various projects in Hong Kong, Macau and Shanghai. He worked in James R Knowles (HK) Ltd, a claims consultancy firm, for around 6 years before joining Gammon and has gained considerable experience in claims preparation and in dealing with contractual matters relating to both private and public sector projects. In addition, he has been speaker for various public seminars, seminars to contractors and sub-contractors and contributor to various construction industry journals.

In the seminar, CY will share with us the practical side of preparing and assessing disruption claims which include: What are disruption claims? What is the differentiation with prolongation cost claim? He will also give us a brief review of the legal requirements for claiming disruption costs and the various approaches of evaluating disruption, as well as the importance of keeping proper records for demonstrating disruption. Examples on quantum assessment will also be demonstrated.

Language Cantonese
Deadline 5 October 2006

Fee HK\$100 per person
Priority First-come-first-served basis (150 person)

CPD/JO/2006081 (CPD Hour: 1.5 hours)

A better understanding of MTR operations - visit to Operations Training Centre and Operations Control Centre



Speaker Otto Chung, Train Staff Inspector, Mass Transit Railway Corp. Ltd.

Date & Venue 9:00pm - noon Saturday 28 October 2006

Gathering point 8:45am at MTRC Headquarter, Telford Plaza, Kowloon Bay, Kowloon

Itinerary

09:15 am	Tour around Operations Training Centre at Kowloon Bay Depot
10:30 am	Board coach for Operations Control Centre (OCC) located in Tsing Yi
11:00 am	Arrive at OCC. Briefing on MTR operations
11:40 am	Introduction of OCC functions
noon	Visit ends (Tsing Yi)

Language Cantonese
Deadline 30 September 2006

Fee HK\$100 per person
Priority First-come-first-served (Max20)

CPD/JO/GPD2006072-074 – APC Workshop Series

Tailor-made for Probationers and Students In preparation for Assessment of Professional Competence

Date	Title	Topic	Speaker	Time
19.8.06(Sat)	APC Workshop 1 (CPD2006072)	Introduction of the Rules and Guide to the Assessment of Professional Competence	Susanna Kwan* – GPD Council Member	2:30pm – 3:30pm
		Briefing of the Written Assessment	Serena Lau – GPD Chairperson	3:30pm – 4:30pm
26.8.06 (Sat)	APC Workshop 2 (CPD2006073)	Briefing of the Oral Assessment	Louie Chan – GPD Honorary Secretary	2:30pm – 3:30pm
		Assessors' Expectations in the Assessment of Professional Competence	Tony Wan – GPD Council Member	3:30pm – 4:30pm
23.9.06 (Sat)	APC Workshop 3 (CPD2006074)	Most Frequently Spotted Errors – from Assessors' Eyes	Lawrence Pang – GPD Vice-Chairman	2:30pm – 3:30pm
		Experience Sharing with past APC candidates	Group Sharing Session	3:30pm – 4:30pm

Venue SLC, HKIS
Fee \$200 per person per workshop

Language
Enquiry

Cantonese supplemented by English
Please call 2526 3679 or email: cpd@hkis.org.hk

* replaces Lawrence Poon - GPD Vice-Chairman

SLC, HKIS = Surveyors Learning Centre, 811 Jardine House, 1 Connaught Place, Central, Hong Kong. For enquiries, please call 2526 3679.



夏日狂歡派對

日期 : 2006年8月27日 (星期日)

時間 : 10:00-18:00

地點 : 西貢三星灣

活動 : 燒烤、滑水、水上飛碟/飛車、香蕉船、游泳、卡拉OK、麻將耍樂
(有興趣垂釣的人士,更可自費到附近魚排垂釣)

費用 : HK\$200.00

(費用已包括燒烤食物、1 罐飲品及上述水上活動)

名額 : 80人

集合地點 : 9:30 西貢白沙灣碼頭

截止日期 : 2006年8月15日

有興趣報名的人士,請將個人資料(包括姓名、聯絡電話及電郵)
連同支票(抬頭 SURVEYORS SERVICES LIMITED)
交往香港測量師學會辦事處。

如有查詢,可電 9689 1881 聯絡 Arthur Cheung

或 2526 3679 聯絡本會秘書處或電郵 cpd@hkis.org.hk



消暑、刺激、好玩
歡迎所有本會人士參與

CPD Courses

The Keys to Success: Property and Facility Management (CPD Series)

In order to ensure sufficient and quality CPD Event to be provided to all grades of members, Property and Facility Management Division of HKIS is organizing a series of Structured CPD seminars with the support of The Management and Executive Development Centre (MEDC) of The Hong Kong Polytechnic University. These courses will also assist the non-corporate members to carry out the APC/ATC process.

Date	Topic	Speaker
26-08-2006	Revisit Drafting and Administration of Deed of Mutual Covenants	Gary Yeung General Manager - Shui On Property Management Ltd.
30-09-2006	A Successful Building Manager - From a Legal Perspective	Ricky Yiu Partner - Baker & Mckenzie
	A Forward-Looking Approach on Resolving Building management and Maintenance disputes – Mandatory Against Voluntary	Gary Yeung General Manager – Shui On Property Management Ltd.
28-10-2006	Conflict or Appreciation in Major Renovation Projects is all your choices	Alan Wong Assistant Technical Manager – Hong Yip Service Co. Ltd.

For details, please visit <http://medc.polyu.edu.hk> or contact 3400-2763.

CPD/PFM/2006044(3)

Topic : Revisit Drafting and Administration of Deed of Mutual Covenants

Fee: \$350

Speaker Gary Yeung, General Manager – Management Property of Shui On Property Management Limited

Gary obtained his BSc(Hon) degree in Estate Management and MBA in Construction and Real Estate both from the University of Reading. He has also obtained a RICS Post-Graduate Diploma in Project Management. He is currently a Member of the HKIS in both Building Surveying Division and Property and Facility Management Division, a Member of the RICS, a Fellow Member of the HKIFM, a Member of the CIOB and Associate of the CI Arb. Being worked in the real estate industry for more than 20 years in areas of property management, maintenance, building survey and project management in various organizations, he is currently the General Manager - Property Management of Shui On Properties Management Limited.

Date & Venue 26 August 2006 (Saturday) 2:30pm – 5:30pm; The Hong Kong Polytechnic University

Abstracts Apart from the BMO, DMC is another crucial document which professional property managers must be acquainted with for the management of stratified multi-storeys buildings in Hong Kong. The Legal Advisory and Conveyancing Office (LACO) of the Lands Department had issued guidelines setting out essential requirements for drafting DMC which will be briefly discussed. Property managers should also be familiar with their powers and restriction on discharging their duties under the DMC. The seminar will also try to distinguish between “Owners Committee” and “Management Committee” which may sometimes be mixed up by some junior practitioners.

The seminar will cover:

- LACO Guidelines for Drafting DMC
- Powers and Duties of Property Managers
- Owners Committee and Management Committee
- Case Study

CPD/PFM/2006044(4)

Date & Venue 30 September 2006 (Saturday) 2:30pm - 5:30pm; The Hong Kong Polytechnic University

Fee \$350

Topic : (A) A Successful Building Manager - From a Legal Perspective (2:30pm-4:00pm)

Guest Speaker Ricky Yiu, Partner, Property Practice Group of Baker & McKenzie, Hong Kong.

Ricky graduated from the Chinese University of Hong Kong in 1986 and after working with the Hong Kong Government for two years, studied law in Manchester, United Kingdom. Ricky was admitted as a solicitor in Hong Kong in 1992 and joined Baker & McKenzie in 1994. Ricky is a very active legal practitioner experienced in all property related matters including project work, conveyancing, mortgages and New Territories developments and property management matters. Ricky also has extensive experience in advising property developers, financial institutions and building managers in all sorts of contentious property matters.

Abstracts Being a successful building manager is a no easy task in Hong Kong. Time and again, we have seen cases of mis-management causing serious problems to property management which is invariably tainted with diverse vested interests of different parties. In order to discharge the work efficiently and effectively, and more importantly, free from legal attacks, it is hoped that this seminar will give the attendees better understanding of the legal framework and practical tips to avoid making mistakes in discharging their duties as property and facility managers.

The seminar will cover:

- Update on the Building Management Ordinance
- Review of latest cases relating to property management
- Pitfalls in property management

Topic : (B) A Forward-Looking Approach on Resolving Building Management and Maintenance Disputers - Mandatory Against Voluntary? (4:00pm-5:30pm)

Guest Speaker Gary Yeung, General Manager – Management Property of Shui On Property Management Limited

Abstracts Current mechanism on resolving building management and maintenance disputes is heavily relied on cooperation and trust of the parties. Failure in these will result into disputes which will resort to litigation in court. The knot of the prevailing building neglect problem is the lack of a mandate for owners to conduct regular inspection and proper maintenance. Mandatory approach is considered to be a more effective solution to resolve building disputes and dilapidation problem. The seminar will try to discuss the public consultation paper of the Housing, Planning and Lands Bureau in Building Management and Maintenance, the progression to mandatory building inspection scheme and the proposed Building Affairs Tribunal recommended by the Hong Kong Institute of Surveyors.

The seminar will cover:

- Common Building Management and Maintenance Problems
- Public Consultation on Building Management and Maintenance
- Public Consultation on Mandatory Building Inspection Scheme
- Proposed Building Affairs Tribunal

Award For those participants who have attended the CPD seminar, a "Participation Certificate" will be issued by Management and Executive Development Centre, The Hong Kong Polytechnic University.

For those participants who have attended 6 seminars of the CPD series, a "The Keys to Success: Property and Facility Management Certificate" will be issued by HKIS.

HK\$50 Cash Coupon – for PolyU CPD courses only

Terms and Conditions:

1. This coupon is not exchangeable for cash and cannot be used in conjunction with any other special offer.
2. Each person can only use one coupon per seminar.
3. Management and Executive Development Centre has the final decision in determining any dispute from this coupon.
4. This coupon is applicable to HKIS member only.

HKIS Member No.: _____

You may download the application form from http://medc.polyu.edu.hk/flyer/pfm_application_form.pdf Enquiry : 3400-2763



Joint Conference 2006



Surviving from Disasters

shortage of clean water, fire, earthquake, violence control

Friday 24 November 2006

Theatre II, The Hong Kong Convention & Exhibition Centre
Harbour Road, Wanchai, Hong Kong

For enquiries, please email: linda@hkis.org.hk or call the Secretariat on 2526 3679

Outstanding Disabled Employees Award 2006

Nomination deadline: 31 August 2006



Outstanding Disabled Employees Award 2006
二零零六年傑出殘疾僱員獎

Launched in 1989, the ODEA aims at commending disabled employees who have demonstrated outstanding performance in employment, to enhance public understanding of the working abilities of people with disabilities and to provide an incentive to disabled employees to seek further advancement in work performance.

ODEA 2006 is now open for nomination from all employers who have engaged people with disabilities. For information, please contact the Publicity & Promotion Unit of the Selective Placement Division, Labour Department, Tel: 2852 4803, Fax: 2542 4823 and email: spd-p@labour.gov.hk. or download at <http://www.jobs.gov.hk/iSPS>.

Don't miss this opportunity to give recognition and appreciation to your disabled employees.

(a HKIS community service)



Junior Chamber International Hong Kong 國際青年商會香港總會

nomination period from 17 June to 31 July 2006



8 October

– Results Announcement Press Conference, Room 401 HKCEC

26 November

– Awards Presentation Banquet, Room 201 HKCEC

For enquiries, please visit :
<http://toyp.jcihk.org> or call (852) 2543 8913

(a HKIS community service)



John B Molloy
LLB(Hons), BSc(Hons), FHKIS, FRICS,
FInstCES, MAE, MCI Arb, RPS(QS)
Managing Director
James R Knowles (Hong Kong) Limited

Causes of action which run in parallel

There has been a long running debate concerning delays which occur during the same period on a project where all of them to some degree are on the critical path and result in an adverse effect on the completion date. Often these delays include ones for which the Employer is responsible, Contractor delays, and delays caused by neutral events such as inclement weather.

Hong Kong construction contracts deal with these causes of delay in different ways. Generally Employer delays give an entitlement to additional time and money, neutral delays usually give an entitlement to additional time but no money, and Contractor delays leave an exposure to liquidated damages.

So how what happens where such delays occur at the same time?

In an article some years ago in this publication I commented that the currently favoured approach is the dominant cause approach. This is described as where there are two causes, one the contractual responsibility of the defendant and one the responsibility of the claimant (or a neutral event); the claimant succeeds if he can establish that the case for which the respondent is responsible is the effective dominant cause of the delay.

The dominant cause is determined by applying common sense standards. Mr Keith Pickavance in *Delay and Disruption in Construction Contracts* sets out the following example of how such common sense standard may be applied; say an employer causes delay by being 10 days late in issuing drawings. If on day 3 of those 10 days there is inclement weather, the inclement weather can hardly be said to be the dominant cause of the delay. However, if on day 3 the entire building burns down, the dominant cause of the delay will switch to the fire.

Accordingly, in my opinion, where there is a concurrent delay, and where the costs can not be allocated to the specific works activities then liability for the whole of the costs incurred attaches to the dominant cause of the delay.

Of course, there are situations where it is not possible to

ascertain what the dominant cause of delay is, i.e. in situations of true concurrency where both (or more) causes of delay are of equal effect.

In such a situation I stated in my previous article that the costs have to be allocated either totally to the employer's delay (in which case the contractor has entitlement to claim reimbursement of his costs) or totally to the contractor's or neutral delay (in which case the contractor has no entitlement to claim reimbursement of his costs) because I felt that it was neither correct nor justifiable to attempt to make an arbitrary apportionment of the contractor's costs in a concurrent delay situation and reimburse the contractor on such basis. Such an allocation is not appropriate because it is generally not possible to divide the sums between activities. The costs are inter-related with each activity and any apportionment is simply a guess. Further, an apportionment is not equitable because it lacks reciprocity. In such a situation, if the Engineer reduced a contractor's claim by say 50% it would amount to an assertion that the contractor is 50% to blame for the delay and the employer is 50% to blame for the delay. Why then should the contractor get 50% of his costs? The employer gets nothing because he can not claim 50% of the liquidated damages (assuming that a full extension of time is granted).

However my conclusion has now been called into question by the recent Scottish decision in *Musselburgh and Fisherrow Co-operative Society Ltd v Mowlem (Scotland) Ltd (2006)*, a case which involved defective work and not delays but the principle is the same.

A swimming pool was constructed under a design and build contract. After work had been completed three major defects in the construction work came to light.

- A sealant joint located at the junction of the overflow channel and the surrounding walkway proved to be ineffective. What should have been provided was a waterproof membrane underlying the whole of the floor slab and channel.
- The connections between the drainage holes and the associated pipe work proved inadequate for want of

puddle flanges.

- Finally due to the absence of a proper waterproof membrane the swimming pool tank construction suffered from water seepage.

The net effect of these three defects was the presence of water in a duct located round the perimeter of the swimming pool.

All the three defects contributed in varying ways to the water problem and were the responsibility of the contractor. Unfortunately for the Employer the first two causes of the water problem were time barred and so the seepage of water through the tank construction was the sole legitimate cause of action and it was therefore in the Employers interest to show it to be the main cause of the problem. There were extensive remedial works undertaken which involved the closure of the pool resulting in a claim in the sum of £280,702 being claimed by the Employer against the contractor.

In view of the fact that an action in relation to two of the defects was time barred the court had to decide how much of the money spent on the remedial works should be allocated to the seepage problem.

The contractor argued on the basis of the decision in *John Doyle Construction Ltd v Laing Management (Scotland) Ltd* (2004) where it was held that if a claim is submitted on a global basis the claimant should omit all causes of loss which are not the defenders responsibility. As the Employer had not eliminated the costs associated with correcting the defects which were time barred his claim should fail. The court did not accept this argument.

The court then considered the question of dominant cause on the basis that if a particular cause of loss is dominant then it should be treated as the operative cause and the whole costs of the remedial works allocated to that cause of loss. The court appeared to approve of the dominant cause approach but in this particular case they considered that it could not be applied because there was no conclusive evidence as to whether any of the three competing causes of loss was the dominant one.

One of the expert witnesses considered that apportionment would be the most appropriate method of arriving at a just settlement and suggested a straight three-way split. Interestingly the court accepted the idea of apportionment but considered the suggestion of a three way split was too

rough and ready.

In arriving at a figure to be awarded the court considered that some of the remedial works amounted to betterment in respect of which an appropriate reduction was made. The court apportioned the cost of replacing gratings and channels and also the waterproofing. A sum was also added for loss of revenue due to the closure, interest and costs which totalled £104,274.

So where does this leave us in ascertaining causes of action or delays which run in parallel, i.e. concurrent delays? Well the court clearly seemed to approve of the dominant cause approach, so that is consistent with the current thinking of most authorities on the subject. However where it was not possible to identify the dominant cause or delay the Court appeared to accept that the costs should not simply be left to 'lie where they fall' as I commented in my previous article, but that they could be apportioned between the individual causes.

Just how such an apportionment can be made to avoid it simply being an arbitrary split or worse a guess remains the difficult question.




Hong Kong Ethics Development Centre

For more information on the Centre's ethics promotion services and to search for information relating to ethical management and corruption prevention, please visit:
<http://www.icac.org.hk/hkedc>

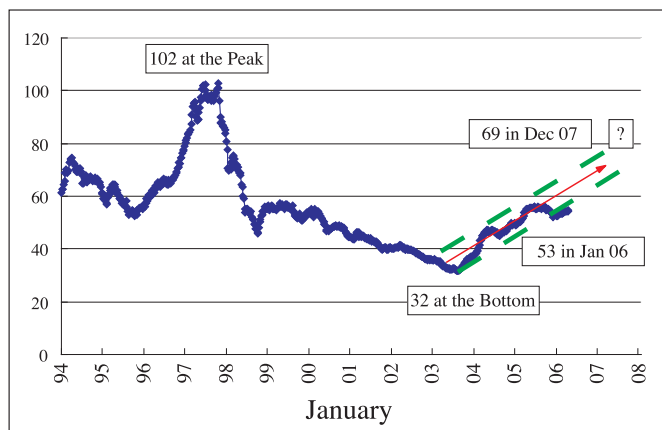
(a HKIS community service)

Five fortune sticks for telling the Hong Kong private housing prices

Nicholas Li
BSc(Hons) MBA MSc
MHKIS MRICS RPS(GP)

This paper attempts to examine the Hong Kong private housing prices by the end of 2007 by using five political and economic factors. Will the private housing prices rise 30% from 53 in Jan 2006 to 69 in Dec 2007? See Chart.

Private housing prices to increase 30% from 2006 to 2007?



Source: Centa-City Leading Index

The five major political and economic factors support the rise of private housing prices are:

- Gold Fortune Stick - Government policy is high land price policy;
- Silver Fortune Stick - Supply of private housing units is limited in 2005-07;
- Copper Fortune Stick - Confidence levels are rising and setting new highs;
- Iron Fortune Stick - Income is starting to accelerate in 2006;
- Rock Fortune Stick - Interest rates reach the peak and mortgage rate spreads fall to a historic low level.

Gold Fortune Stick - Government Policy

History has shown that Government policy has a significant influence on the private housing market. Two famous Government policies totally changed the Hong Kong property price movements. Before 1997, 50 hectares' land for sale policy made the property prices climbed to the peak. After 1997, 85,000 units for supply policy made the property prices dropped to the bottom.

Government Policy Changed in 1999

Prior to 1999, Government land is regularly for sale in

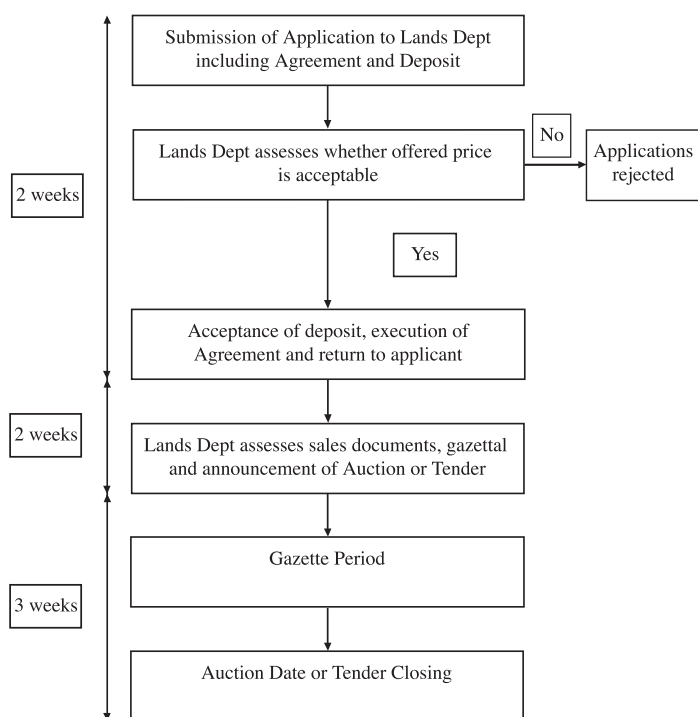
public land auctions. In 1999, the Application List System for Land Sale was introduced during the crash of property prices. It aimed to reduce the number of land plots for sale in the Government regular land auctions, so as to support the property prices.

Government Policy Changed Again in 2004

Since January, the Application List System has been almost the only way for Government to sell land to developers after the suspension of regularly scheduled auctions. A developer interested in any site on the Application List may submit an application to Government. The applicant must offer a minimum price to purchase the site and pay a deposit at 10% of the minimum price, subject to a maximum of HK\$50 million. If the applicant is successful in purchasing, the deposit will be applied as part of the premium. If, however, the site is sold and the applicant is not the purchaser, then the deposit will be returned to him without interest. According to the procedure of Application List by Government, it requires to take a minimum of 7 weeks from the submission of application to auction date or tender closing. As such the interest of deposit shall be regarded as the cost for triggering an auction or tender, for instance, the cost for a try may be $\$50,000,000 \times 3\% \times 7/52 = \$201,000$ assuming a maximum of \$50 million deposit, a 3% pa of deposit rate and a minimum of 7 weeks' processing time. If the price offered by the applicant is at least 80% of Government's assessed open market value of the site concerned, the site will be put up for sale by auction or open tender. But there will be an undisclosed reserve price below which the site will not be sold, i.e. Government will only sell if the bidding meets or exceeds the reserve price.

The SAR Government claims that the Application List System is operated on a market-driven basis. It can enable the market to determine the quantity, the size, the location and timing of land to be put up for sale. However, analysts argue that the existing Application List System is a well-dressed derivative of "high land price policy" and is especially in favor of large developers. Small and medium developers desire to acquire small to medium sized land plots from Government land auction for development because 1) they do not have sufficient private lands; 2) land for sale in Government land auction is "mature" for development and does not involve a long processing time for lease modification or town planning application; 3) developments can be constructed on the "mature" land and launched in

Land Application Procedures



Source: Lands Department

the market as soon as possible to improve their cash flows; and 4) a shorter development period can certainly reduce risks undertaken and can catch up the best timing of economic cycle for obtaining the sales proceeds as high as possible.

Property is not like other commodities, price is largely based on land cost. If land supply is limited, property price will unsurprisingly go up. Large developers with sufficient lands on hands will be happy to see if no land will be put up for sale by auction. Most large developers in Hong Kong are so cash rich that they have no cash flow pressure in selling their properties, for instance, a residential development near Olympic Station in Tai Kok Tsui which can be sold in 2004 still has not been launched. Cash rich developers are capable of waiting for the best timing for selling their properties in order to capture the highest selling prices. Large developers are fully aware of this game rule; therefore, they are willing to bid all land to be put up for auction from small and medium developers with a premium higher than the normal market price.

Further to the land auction in September 2005, three residential sites were bid by two large developers. Sino Land-led joint venture paid a total of \$5.92 billion for the two sites in West Kowloon - about 64% above the opening bids. Sun Hung Kai Properties, the city's biggest developer, paid \$4.23 billion for the Ngau Chi Wan site - nearly 70% above the opening bid, beating seven other bidders. The prices were well above top-end market estimates.

Interestingly, no land has been triggered for eight months since the last auction. Small and medium developers realized that they might even lose their interest costs on the deposit for putting up land from the Application List for auction.

In short, the Application List System for Land Sale is a derivative of "high land price policy" and is particularly in favor of large developers. It discourages the small and medium developers to put up land for auction on one hand and encourages the large developers to bid up the land price on the other.

Silver Fortune Stick - Supply

According to the Hong Kong Property Review by Rating and Valuation Department in February 2006, there were only 17,320 private domestic units completed in 2005, the lowest figure since 1997. It was estimated that about 17,200 units and 16,400 units would be completed in 2006 and 2007 respectively. This downtrend can be attributed to a substantial decline in construction works since 2002. For 2005-2007, Hong Kong will have a record low supply, not in one year, but in all three years. Below are the figures of completions and take-up from 2002 to 2007.

Number of Units of Completions and Take-up

	2002	2003	2004	2005	2006	2007
Completions	31,050	26,400	26,040 [^]	17,320	17,200*	16,400*
Take-up	18,240	22,490	31,400 [^]	17,450	--	--

Note: * Forecast figures
^ Including private flats converted from subsidized sale flats
Source: Rating and Valuation Department

In January 2006, the Housing Authority (HA) decided to offer for sale the unsold and returned HOS flats from 2007 onwards. The remaining HOS flats will be put up for sale in two phases per year and around 2,000 to 3,000 flats per phase. Nevertheless, Government policy of indefinitely ceasing production and sale of HOS flats remains unchanged. The sales program for the major HOS courts from 2007 to 2009 is listed as below.

Sales Program for Major HOS Courts

	2007	2008	2009 onwards
Hong Kong East		Tung Tao Court (1,216 units)	
Kowloon East	Kingsford Terrace (2,010 units)	King Hin Court (344 units) Lei On Court (1,213 units)	Yau Mei Court Phase 3 (1,480 units)

Shatin / Ma On Shan	Ka Keng Court (275 units) Yu Chui Court (1,489 units)	Kam Fung Court (1,892 units)	
Tin Shui Wai	Tin Fu Court (367 units)		Tin Chung Court (640 units)

Source: Housing Planning and Lands Bureau

Copper Fortune Stick - Confidence Levels

Confidence levels are going up, which can be reflected by Gross Domestic Product (GDP), Unemployment Rate, Export and Import and Consumer Price Index (CPI).

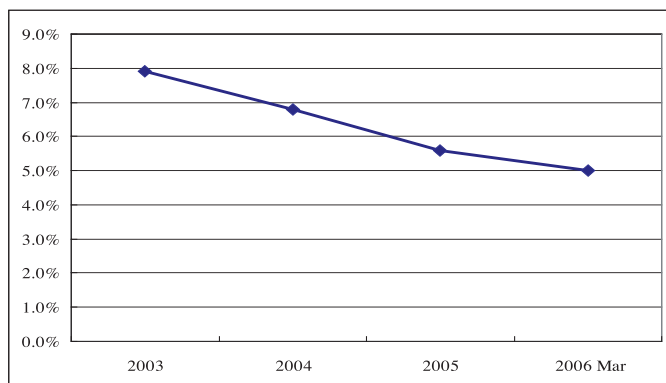
Gross Domestic Product (GDP)

Despite a high base of comparison in 2004, the Hong Kong GDP grew by 7.3% in 2005 following a strong GDP growth of 8.6% in 2004. With export trades continuing to expand, the unemployment rate continuing to fall, together with an upward trend in inflation, most economists estimate that the annual GDP growth for the whole of 2006 will be 5-6%.

Unemployment Rate

The unemployment rate continued to fall and the seasonally adjusted unemployment rate stood at 5.0% in March 2006. Decreases in the unemployment rate were mainly observed in the communications, miscellaneous personal services and medical services sectors. Total employment increased by around 11,100, from 3,413,900 to 3,425,000 in Q1 2006.

Unemployment Rate



Source: Census and Statistics Department

Exports and Import

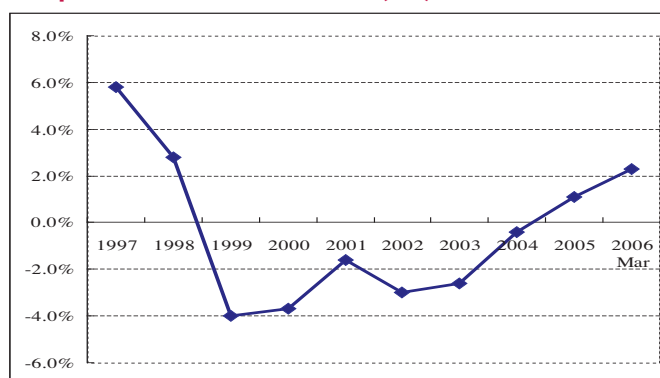
In February 2006, the volume of Hong Kong's re-exports of goods increased by 21.6% over February 2005, while that of domestic exports grew sharply, by 56.9%. Taken together, the volume of total exports of goods increased

substantially, by 23.4%. Concurrently, the volume of imports of goods increased significantly, by 29.0%. In respect of the re-exports of goods, the domestic exports of goods and the imports of goods, all show an upward trend.

Consumer Price Index (CPI)

Overall consumer prices continuously rose in 2006. The larger year-on-year increase in the Composite CPI was mainly attributable to the enlarged increases in private housing rentals and the costs of meals bought away from home. Another reason was the decline in charges for package tours had reduced. For Q1 2006, the Composite CPI rose by 2.0% from a year earlier.

Composite Consumer Price Index (CPI)



Source: Census and Statistics Department

Iron Fortune Stick - Income

Income growth is a major factor for property purchase. According to figures released by the Census and Statistics Department in March 2006, the average wage rate for all the major sectors surveyed, as measured by the wage index, rose by 1.4% in nominal terms in December 2005 over a year earlier. Year-on-year increases were observed in almost all the major sectors, ranging from 1.4% to 2.5%.

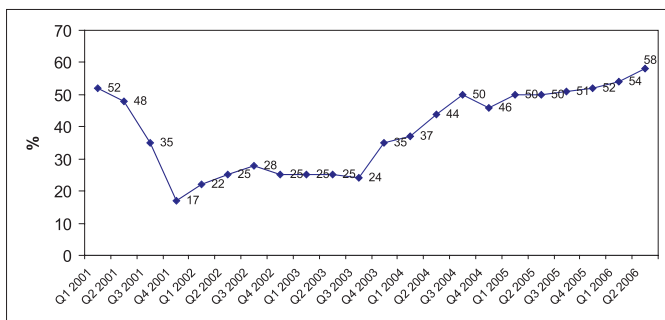
Year-on-Year Changes (%) in Nominal Wage Index by Major Sector

Selected Major Sector	Dec 04	Mar 05	Jun 05	Sep 05	Dec 05
Manufacturing	-1.7	+1.2	+0.5	+0.5	+2.5
Whole, Retail & Import / Export Trades, Restaurants & Hotels	-1.7	+1.3	+0.4	+1.5	+1.5
Transport Services	-1.1	+0.7	+1.5	+0.5	+1.4
Financials, Insurance, Real Estate & Business Services	-1.4	-1.9	-0.3	+0.5	+1.8
Personal Services	+1.8	+2.1	-0.9	-4.5	-2.7
All Sectors	-1.3	+0.7	+0.4	+0.8	+1.4

Source: Census and Statistics Department

Hudson, a global manpower services provider, recently reported that employment expectations in Hong Kong continue to grow on a year-on-year basis. Overall, 58% of companies forecast increased hiring, compared with 50% in the same quarter a year ago. Most sectors are expected significant growth.

Permanent increased hiring expectations over time in Hong Kong



Source: The Hudson Report - Hong Kong, Q2 2006

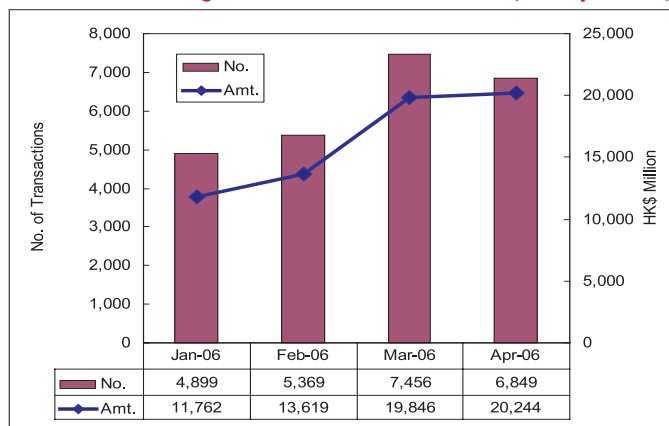
Without exception, income growth is principally based on the supply and demand of manpower market. With the constant growth of hiring index, people will have confidence on the income growth.

Rock Fortune Stick - Interest Rate and Mortgage Rate

Interest Rate

The US Federal Reserve raised the federal funds rate by another 25 basis points to 5% on May 10 and then paused. As a consequence of higher certainty regarding future interest rate movements, private housing market activity and prices have already rebounded, with transaction volume up 40% and transaction consideration up 72% in April 2006 against January 2006 respectively. Below are the number and consideration of sale and purchase agreement of residential units in Jan - Apr 2006.

Sale & Purchase Agreement of Residential Units (Jan-Apr 2006)



Source: Lands Registry Department

For property investors, the opportunity cost of rental returns is traditionally bank deposits in where Hong Kong's deposit base is around HK\$4,400 billion. The gap between property yields and deposit rates has traditionally been a good predictor of price trends in the following year. Having considered the mass private housing yield at 4.4% and the luxury property yield at 3.0%, which are provided by the Rating and Valuation Department, compared to the customer deposit rate at 3% in March 2006, the mass private housing prices will be supported by the property investor.

Mortgage Rate

Intensive competition among banks in Hong Kong has driven the mortgage interest rates down to a historic low of around 2.8% below the Prime rate with cash rebates of 0.6-0.8% of loan amounts in general. In February 2006, HSBC launched the lowest mortgage rate program in town, namely 5% Effective Mortgage Rate.

The average mortgage rate has come down from around Prime rate plus 1% in mid-1998 to around Prime rate minus 2.8% since early December 2004. Taking into account cash rebate and other benefits offered by banks, the mortgage rate is estimated conservatively at around Prime rate minus 3%, assuming a full amortization period of three years' penalty period for the cash rebates. Note that the mortgage pricing will become P-2.8% by the fourth year of the loans when the cash rebates are fully amortized.

Residential mortgage rate margins in Hong Kong have fallen to a historic low of P-3%. With the chance of reaching the peak in May 2006, it fosters the rise of private housing property prices.

Conclusion

The Hong Kong property market has almost recovered since mid-2003. Luxury residential prices have already surpassed 1997 levels. Grade-A office and shopping mall rents in core Central Business Areas have returned to the average peak levels in 1997. In 2005 and Q1 2006, developers even priced their sales in the primary market at a 30% premium to secondary market levels, to the extent that they have also exceeded 1997 levels.

What will be the next? Following the limited supply of land and housing units, the growth of confidence levels and incomes together with the end of interest rate rise, the five fortune sticks are telling us the next wave of the private housing market recovery may be spreading from luxury properties to mass real estates and from urban areas to sub-urban areas.

The second hand housing market

Thomas Li
 Alvin Lam
 Midland Surveyors Limited

What do people think of the second hand housing market? Stable, unspectacular, running out of steam? A look at the transactions of second hand flats reveals some interesting features.

The Upper End

In the first quarter of 2006, transactions in the newly completed estates exceeded those in more traditional ones. In this period, transactions in ten developments in the first category amounted to 203, nearly double the corresponding amount of 119 in the second category. See Chart 1.

One may argue that the new ones are usually larger, so it is natural that they have more transactions. However, as can be seen in Chart 1, in terms of turnover rate, ie the number of transactions in an estate as a percentage of its total stock, the former group still outperforms the later, 2.0% vis-à-vis 1.6%.

In the coming year, as most of first hand sales will concentrate on medium to small flats, both types of luxury estates should attract considerable demand.

The Lower End

Before 2004, when the property market hit bottom, developers tended to reduce flat size and correspondingly the flat price to attract purchasers, especially first time buyers. In 2003, 14,551 first hand transactions amounted to HK\$ 2 millions or less each. The percentage split for transactions of HK\$ 2 million or less between first hand and second hand flats in 2003 was 27.4% and 72.6%.

Since the recovery in 2004, first hand flats of HK\$ 2 million or less became fewer. The above percentage split has become wider, culminating in 0.4% and 99.6% correspondingly in the first quarter of 2006. See Charts 2 and 3.

Since 2006, transactions of first hand flats of HK\$ 2 million or lower have been few and far between, totaling only 39 as at 27 March. On the other hand, in the first quarter, transactions of second hand flats of HK\$ 2 million or lower already amounted to 10,115, or 65.5% of the total stock. Of these, nearly half of the low-price flats came from the urban areas. See Chart 4.

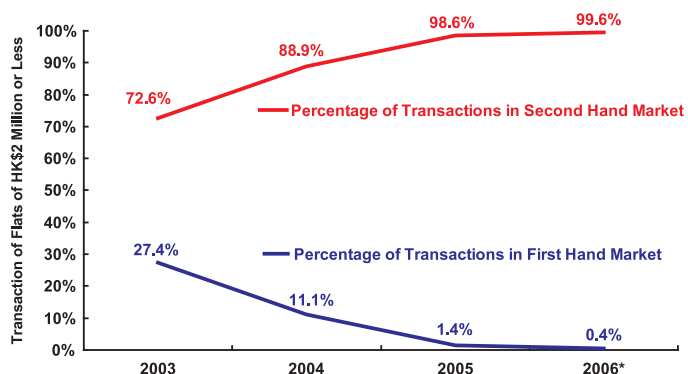
Chart 1 Turnover Rate between Traditional Luxury Estates and Newly completed Luxury Estates

Traditional Luxury Estates			Newly completed Luxury Estates		
Estate	No. of Second Hand Transactions in Q1 2006	Turnover Rate	Estate	No. of Second Hand Transactions in Q1 2006	Turnover Rate
Clovelly Court	7	2.9%	The Cairnhill	30	3.9%
Beverly Hill	17	2.3%	One Beacon Hill	16	2.6%
Parc Oasis	32	2.2%	Parc Palais	16	2.3%
Hong Lok Yuen	25	2.1%	The Victoria Towers	22	2.2%
Village Gardens	7	1.4%	Sorrento	43	2.0%
Convention Plaza	8	1.2%	Constellation Cove	5	1.7%
Hillsborough Court	6	1.1%	Residence Bel-Air	32	1.7%
Robinson Place	6	0.9%	The Waterfront	21	1.6%
Pacific Palisades	7	0.9%	The Arch	12	1.1%
Hong Kong Parkview	4	0.5%	The Leighton Hill	6	1.1%
Total	119	1.6%	Total	203	2.0%

* Up to 28 March 2006 06

Source of Information: The Land Registry and Research Department, Midland Realty.

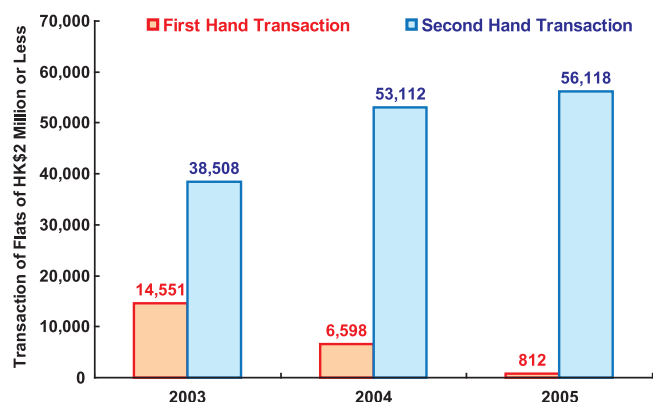
Chart 2
Percentage Split between Transactions of Flats of HK\$ 2 Million or Less in the First and Second Hand Markets



* Up to 27 March 2006

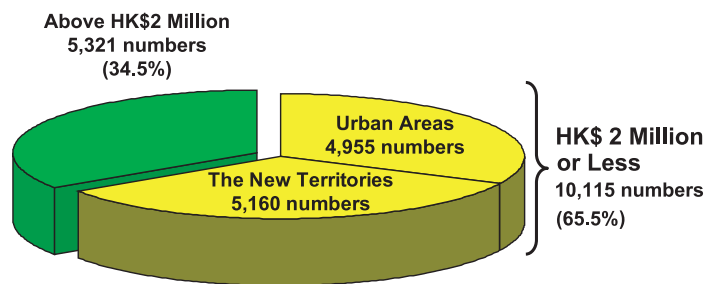
Source of Information: The Land Registry and Research Department, Midland Realty.

Chart 3
Transaction of Flats of HK\$ 2 Million or Less in the First and Second Hand Markets



Source of Information: The Land Registry and Research Department, Midland Realty

Chart 4
Distribution of Second Hand Flat Transactions in the First Quarter of 2006



* Up to 27 March 2006

Source of Information: The Land Registry and Research Department, Midland Realty.

As flats in the New Territories generally have lower unit values, of 15 estates having most transactions of HK\$2 million or less, 11 were in the New Territories. However, transactions of flats of HK\$ 2 million or less were also substantial in newly completed estates in the first quarter of 2006. See Charts 5 and 6.

Chart 5
Estates with Most Transactions of Second Hand Flats of HK\$ 2 Million or Less in the first Quarter of 2006

District	Estate	Transactions of Second Hand Flats of HK\$ 2 Million or Less in the first Quarter of 2006*	Percentage of Total Transactions in that estate
Tin Shui Wai	Kingswood Villas	199	99.0%
Shatin	City One Shatin	168	87.0%
Kowloon Bay	Amoy Gardens	78	100.0%
Tsuen Wan	Tsuen Wan Centre	69	100.0%
Ma On Shan	Sunshine City	59	64.1%
Tai Po	Tai Po Centre	58	96.7%
Tseung Kwan O	Metro City	56	59.6%
Mei Foo	Mei Foo Sun Chuen	54	21.5%
Shatin	Golden Lion Garden	53	100.0%
Tuen Mun	Tai Hing Gardens	51	100.0%
Tsing Yi	Greenfield Garden	51	100.0%
Tuen Mun	Tuen Mun Town Plaza	49	100.0%
To Kwa Wan	Wyler Gardens	48	96.0%
Hung Hom	Whampoa Estate	43	95.6%
Shatin	Lucky Plaza	38	92.7%

* Up to 27 March 2006

Source of Information: The Land Registry and Research Department, Midland Realty.

Chart 6
Newly Completed Estates with Most Transactions of Second Hand Flats of HK\$ 2 Million or Less in the first Quarter of 2006

District	Estate	Transactions of Second Hand Flats of HK\$ 2 Million or Less in the first Quarter of 2006*	Percentage of Total Transactions in that estate
Tseung Kwan O	Park Central	31	34.4%
Yuen Long	Yoho Town	31	83.8%
Tsuen Wan	Indihome	30	75.0%
Tseung Kwan O	Tseung Kwan O Plaza	24	47.1%
Tai Kok Tsui	Metro Harbour View	23	41.1%
Yuen Long	The Parcville	19	100.0%
Tsing Yi	Rambler Crest	17	56.7%
Tseung Kwan O	Serenity Place	17	43.6%
Tung Chung	Caribbean Coast	15	22.1%
Tuen Mun	Beneville	15	100.0%

* Up to 27 March 2006

Source of Information: The Land Registry and Research Department, Midland Realty.

Third Generation Mobilizing System of the FSD

Maris Lo
LSD

On 13 May, 25 members attended the technical visit to Third Generation Mobilizing System (TGMS) of the Fire Services Department. TGMS was launched in June 2005 and is the new command and control mobilizing system of the FSD. It was designed to cope with projected growth in call volume in next ten years to meet target dispatch time. The new system adopted an open platform design with graphic working environment, and included a lot of advanced technologies to improve the efficiency and effectiveness of call-taking and resource dispatching.



Albert Li, the Senior Divisional Officer/ITMU, together with Berlina Ho, the GIS Manager, gave us an informative presentation on the project background and the system design of the TGMS and then

explained how the GIS could assist in the entire Fire Services operation. There were a total of twenty-one subsystems in TGMS. One major sub-system, Geographic Information System (GIS) was implemented to search for the nearest emergency resources, support map display and provide spatial analysis for facilitating front line operation. GIS was closely integrated with other major subsystems, such as Computerized Mobilizing System (CMS) and Automatic Vehicle Location System (AVLS) and would indicate on digitized map the nearest available fire and ambulance resources to any reported address of incident for efficient mobilization as well as the shortest route to the incident. Furthermore, it would provide other useful information, such as location of hydrants, gas pipe layouts, building information

and vehicular access, etc. to facilitate fire-fighting and rescue operations.

We visited the Fire Service Command Centre which was designed with functionality, ergonomics and aesthetics in mind. The centre housed 29 sophisticated operator consoles and each of them was well equipped with all of the operator's equipment used in call-taking and dispatch. The worktops and LCD displays that were hydraulically adjustable such that the operator could take calls and send dispatch orders in a sitting or standing position. There was even a personalized environmental control unit in each console so that the operator could adjust the temperature to his/her own needs when tackling the challenges everyday.

All members actively discussed in a relaxing atmosphere throughout the visit. The impressive visit was ended with souvenir presentation and lucky draw. Three different models of fire engine (1:76) were presented to our lucky members. On behalf of the CPD organizing committee, I would like to express our sincere gratitude to the speakers for their effort in arranging this visit and George Leung who had sponsored the gifts for the lucky draw.



Re-establishment of old lot boundaries in the NT

Maris Lo
LSD



Re-establishment of old lot boundaries in the New Territories does not only interest land surveyors but also building surveyors, general practice

surveyors and quantity surveyors. On 18 May, the CPD event entitled "An Overview of the Re-establishment of Old Lot Boundaries in the New Territories in Hong Kong" co-organized by Land Surveying Division of HKIS and Geomatics Faculty of RICS (HK Branch) attracted more than 130 members

from different divisions of both organizations.

This CPD was delivered by Professor Leung Shou Chun MBE, who was the Ex-Principal Government Land Surveyor of Lands Department and now the Director of Leung Shou Chun Land Surveying Consultants Ltd.

Professor Leung kicked off the talk with a review on the survey problems associated with the re-establishment of old lot boundaries that may be typified by the Demarcation District (DD) lot boundaries in the New Territories. Then, he diagnosed the surveyor's process in re-establishing a DD lot boundary via 3 operations: the determination of (a) the authenticity of the boundary, (b) the alignment of the boundary and (c) the positional definition of the boundary. The first was the identification of the original boundary which may generally be a paddi field bund, a wall, or a similar physical barrier of crude finish. The second operation was the transforming

of this physical boundary to become a refined alignment capable to be described in mathematical terms. And the third operation was to further define this alignment in terms of the national grid system thus coordinates to each boundary corners being assigned.



In addition to the operations, Professor Leung also shared with members some typical cases and his point of view on them. They were: (a) A completely mis-oriented row of village houses in Tap Mun, and (b) A house block in Cheung Chau in which wrong wall corners were joined to represent the party walls as lot boundaries. Professor Leung ended his talk by stressing the importance of the duty of a land surveyor was to re-establish the old lot boundaries in an authentic way before dealing with its alignment and coordinate aspects.

Capital Asset Pricing Model (CAPM) in Valuation

Tony Wan
GPD
Kelvin Ng
JO Committee

Lawrence Pang FRICS FHKIS CFA AACI MBA MSc (Finance) delivered a talk on CAPM in Valuation on 22 May. He is a member of the Property Valuation Standards Panel, the Business Valuation Standards Panel of the General Practice Divisional Council and one of the two HKIS representatives in The Hong Kong Business Valuation Forum formed by the HKIS, RICS and The Hong Kong Society of Financial Analysts. Lawrence had been putting tremendous input and effort in the issuance of The HKIS Valuation Standards on Properties and The HKIS Valuation Standards on Trade-Related Business Assets and Business Enterprises in 2005 and 2004 respectively.



At the seminar, Lawrence reviewed the basic concept of business valuation such as the relation between risk and returns, Weighted Average Cost of

Capital (WACC). Then he went into the core content - Capital Asset Pricing Model (CAPM) in which the derivation of the systematic and unsystematic risks were illustrated, followed by an explanation on the various components consisted of in the CAPM and difficulties in the measurement of them in real life.



Other than the theory, Lawrence also cited two Lands Tribunal cases, *Shun Fung Ironworks Ltd v Director of Buildings and Lands* (1995) 2 HKLR 311 and *China Light & Power Co Ltd v Commissioner of Rating and Valuation* [1994-95] CPR 618, where CAPM was applied with varied results. By making reference to these two cases and some graphs showing the previous performance of the investment markets both in Hong Kong and in the United States, Lawrence reminded us past records did not necessarily give a true indication of future returns. This would render the measurement of the various components of the CAPM unreliable and subject to errors. He further showed the assumptions and possibility of failure of CAPM; and how CAPM might be applied in the valuation of business projects in the emerging markets.

Lawrence concluded his talk by reminding the audience to comply with the requirements as stated in the HKIS Valuation Standards on Trade-related Business Assets and Business Enterprises in applying CAPM in practice, which included, inter alia, these main items:

- Commentary 1 of Section 4.1 of Practice Statement 4 -

The Valuer shall state clearly in his Report the information that he has relied on and, where appropriate, its source;

- Commentary 7 of Section 3 of Practice Statement 2 - In using the Discounted Cash Flow Method of the Income Approach, the Valuer has the responsibility to ensure that all the assumptions and variables (examples being: growth rates, discount rates and capitalization rates) to be used in his analysis are consistent with market evidence and should be supported by market-derived

data. The result of the discounted cash flow analysis should be tested and checked to avoid errors and ensure reasonableness.

This CPD has undoubtedly helped professional members in sharpening their techniques on applying CAMP to draw up business valuation reports that are transparent and recognized by the public and regulatory authorities.

Facility Management Seminar

Alan Wong
PFMD

This PFMD supported seminar was on 8 June in the HKCEC and the nominated Speaker, Paul Wong from the HKQAA, introduced the ISO customer satisfaction series.



The seminar covered ISO 10002 : 2004 on the guidelines for complaints handling in organizations. In brief, the system can enhance organization's ability to resolve complaints in consistent, systematic and responsive manner to satisfy

complainants & the organization. The system also helps to identify trends and eliminate causes of complaints and improve organization's operation.

The organizer representative, Heidi Au of Hong Kong Exhibition Service, presented a souvenir to Alan Wong. The CPD Committee (PFMD) would like to take this opportunity to thank Gary Yeung's advice on speaker nomination and the Seminar helper, Fred Mok.



HKIE YMC Annual Dinner

Joseph Chong
Deputy Hon Sec
JO Committee

On 9 June, on behalf of the JO, I attended the HKIE Young Members Committee (YMC)'s annual dinner held at YMCA's Assembly Hall in Tsim Sha Tsui. Ir Dr the Hon Sarah Liao gave a talk on sustainable construction implemented by the ETW Bureau, including the use of 3D visualization tools to improve environmental planning, adding green features to buildings, using recycled materials.

Among the 24 tables at the dinner, there were 6 VIP tables, comprising representatives from different HKIE Divisions, engineering institutions and professional bodies. We are honoured that the HKIS JO has been put as the first name on the guest list, right after their Immediate Past Presidents. Representatives from the different professional bodies at my table included: Franky Choi, Deputy Chairman, Board of Internal Affairs, HKIA; Dr Vincent Leung, President, HK Dental Association; Leslie Chen, HKILA President; Stephen Chok, Council Member, Chairman of Young Members

Division, The Macau Institution of Engineers; Alvin Lo, Young Member Group Chairman, CIBSE; Martin Ko, Representative of Law Society and Chris Kum, honorary secretary of the HKIE YMC.

Good news for all JO members is that the young bodies in HKIE and Chartered Institute of Arbitrators have agreed to organize a joint seminar very soon and shall form a committee for the preparations. There will be a few young representatives from each professional body.

We have shared among ourselves about the young bodies in our Institutions and found that JO is actually one of the well established young groups among them. The dinner finished at around 11pm after a fantastic magic show and a lucky draw.



Periscope 潛望鏡

Jeffrey Wong
JO Committee

Rina Tsoi - The Art of Life... "Gracias"



"What is Art?" This is the first question I asked my interviewee, Rina Tsoi.

"It is a kind of human nature expressed by different forms, ways and approaches. Painting is one of the expressions. Simple art of work can epitomize the indissoluble bond between nature and life which denotes the undeniable connection between art and life." said Rina

With an inspiration of art works by Aser But (<http://www.aserbut.net/>) in the early 1980's, it enlightens and colors the life of Rina through ART. A lifelong mentorship has developed since then.

Art Appreciation Basics

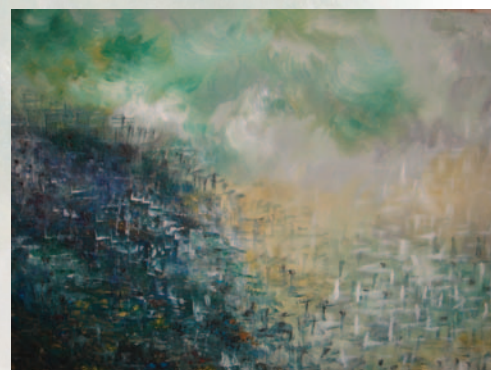
Before you started the painting, the appreciation of arts would be the entry. Rina has shared those basic things as follows:

- Texture - Solidity
- Mono versus Color
- Spatial
- Value (Contrast) : darkness / lightness, positive / negative
- Line, Brush strokes differentiation
- Systematic versus informal
- Geometrical
- Shape and Form
- Style : Western versus Asian
- Painting material / Media e.g. Acrylic or watercolor paint.

In order to have a better understanding, Rina described her latest painting, "Gracias" by those elements.

Claude Monet's short, quick brushwork style was found from "Gracias" on the landscape and reflection areas which differentiated with the smooth and continuous line pattern on sky. The sunlight is liberated by the rapidly brush strokes. The radiant fringe of sunlight emerges from the top side of the images, forming the geometry between the other two entities.

In direct contrasts with the intricately detailed, brighter vision of sky over the darker tone of landscape, yet both features depict a harmony with the ocean as of the reflection. Again it formed the most vibrant elements of nature by this remarkable geometry. This type of form is commonly found



Gracias

in a stage of Impressionism. Most significantly, the painting manages to articulate the inherent symphonic relationship by the reflection of sea. The systemic array of the landscape and sea act almost as a border which contains the serenity of this pleasurable setting within its rigid boundaries.

Color scheme for the painting is coherent with the fresh and breathing environment by earth and natural tone which generated the extension of scene by the audiences of the boundless features. The elements of nature setting emanate a distinct sensation of harmony and peaceful where is the objective of this paint.

Further Development of Painting

For social art painting at Art Jamming (www.artjamming.com)

For formal art courses, you may visit the School of Professional Study in Chinese University or Hong Kong Art Centre.



Rina is currently Hon Sec of the LSD.

Cosmos Bookstore (天地圖書)

15% discount on books and 10% on stationery purchases (except fix priced and special priced items) in the Cosmos Bookstore on 32 Johnston Road, Wanchai and 96 Nathan Road, Tsimshatsui until 31 December 2006. Inquiries please call **2866 1677**.

Caltex StarCard

A special discount of HK\$1 per litre for all successful application for the Caltex StarCard issued. Inquiries please call Eric Law of Ming Xing Investment Co Ltd on **2851 3297**.

Shell Card

A special discount of HK\$1 per litre for all successful application for the Shell Card issued. Inquiries please call Alex Au of Kingsway Concept Ltd on **2541 1828**.

Union Hospital (沙田仁安醫院)

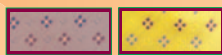
A privilege offer of \$2919 (original \$4560 for male) and \$2739 (original \$4300 for female) for all HKIS members and their families. Plan inclusive of TWO Doctor Consultations, Physical Examination (Weight, Height, Blood Pressure & Pulse) & Medical History, Chest X-ray, Electrocardiogram, Kidney Function (Urea & Creatinine), Liver Function (SGPT & SGOT), Complete Blood Count, ESR, Diabetic Screening (Fasting Glucose), Rheumatology Screening (Uric Acid & RA Factor), Lipid Profile (Total Cholesterol & Triglycerides), Thyroid Screening (T4), Urine Test (Urinalysis), Occult Blood, Colon Cancer Screening (CEA), Hepatitis Profile (HBsAg, HBsAb), Prostate Specific Antigen for male, Pap Smear for female. Offer valid till 31 December 2006. Inquiries please call **2608 3170** or visit www.union.org.

Note: The HKIS will not be privy to any contracts between the HKIS members and the agency concerned. We will not be responsible for the administration of or the consequences arising from these contracts, including any personal data that the HKIS members may agree to provide to the agency. No liability of any kind will be borne by the HKIS. All business transactions made under the membership benefits of HKIS are strictly between the merchant and HKIS members. The HKIS will not be involved in any complaints made by any party in any business transaction. All inquiries should be made to the merchant directly. For general information, please call the Secretariat on **2526 3679**.

HKIS

Welcome to the HKIS Shop

Pattern style
Blue, Gold



Yellow and light blue silk tie, weave details with single HKIS embroidered logo.

■ Member Price: HK\$90
Non-Member Price: HK\$150



HKIS square lapel pin with HKIS logo and is suitable for both gentlemen and ladies.

■ Member Price: HK\$30
Non-Member Price: HK\$50



Beige silk scarf with single HKIS embroidered logo.

■ Member Price: HK\$100
Non-Member Price: HK\$150



Dark blue lanyard with HKIS logo, key ring and mobile phone connecting thread.

■ Member Price: HK\$20
Non-Member Price: HK\$25

HKIS Shop sells a range of attractive gifts bearing the HKIS logo. To view the range of goods or place an order, please call the Secretariat on 2526 3679 or visit www.hkis.org.hk



Stylish white or black mesh caps with extended peak, perfect for outdoor sun-screening, embroidered with HKIS logo.

■ Member Price: HK\$35
Non-Member Price: HK\$55



A4 folder, crafted from fine leather and made to high standards, beautifully lined and embossed with the HKIS logo.

■ Member Price: HK\$180
Non-Member Price: HK\$250

Date	Event	Organiser	Location	
2006				
Aug	25	Surveyors Happy Hour	HKIS	Library, HKIS
Sep	10-12	2006 Mainland and Hong Kong Conference	MOC/ETWB	Urumqi, PR China
	15	LSD Annual Dinner	LSD	Hong Kong SAR
	16	BSD 20 th Anniversary Conference	BSD	Four Seasons Hotel, HKSAR
Oct	29	Surveyors Happy Hour	HKIS	Library, HKIS
	15-20	FIG XXIII Congress and XXIX General Assembly	FIG	Munich, Germany
	27	Surveyors Happy Hour	HKIS	Library, HKIS
Nov		CII-HK Conference on Ageing Building	CII	Hong Kong SAR
		HKIS Property Marketing Award	HKIS	Hong Kong SAR
	16	LSD Annual General Meeting	LSD	Hong Kong SAR
	24	Surveyors Happy Hour	HKIS	Library, HKIS
	27	HKIS Annual Dinner	HKIS	Hong Kong SAR
Dec		HKIS Annual General Meeting	HKIS	Hong Kong SAR
	29	Surveyors Happy Hour	HKIS	Library, HKIS
2007				
May	12-17	FIG Working Week 2007 and XXX General Assembly	FIG/HKIS	Hong Kong SAR

For further details contact the HKIS office at 2526 3679 or visit www.hkis.org.hk

NB: SLC = Surveyors Learning Centre, 811 Jardine House, 1 Connaught Place, Central, Hong Kong SAR.

FIG Working Week 2007

Strategic Integration of Surveying Services

12 - 17 May 2007
Hong Kong SAR

Call for paper : October 2006
Submission of abstract : 30 November 2006
Confirmation of acceptance : 20 December 2006
Submission of full paper : 15 February 2007

For enquiries, please email the Secretariat at:
info@hkis.org.hk or call (852) 2526 3679

For details on the HKIS, please visit: www.hkis.org.hk

For details on the FIG Working Week 2007,
please visit: www.fig.net/fig2007