



Manpower Update Report

Real Estate Services Industry

2020

Real Estate Services Training Board

ACKNOWLEDGEMENT

The Real Estate Services Training Board (RETB) would like to express its gratitude to members of the focus group for their valuable time and insights contributed related to the manpower situation in the real estate services industry. The views of focus group members formed an integral part of this report. Special thanks go to the CPJobs and CTgoodjobs who shared with us their database of job vacancies, and such data was critical in facilitating assessment of the job market and training needs of the industry.

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Introduction

Background

The RETB of the Vocational Training Council (VTC) is appointed by the Government of Hong Kong Special Administrative Region, to be responsible for determining the manpower demand and training needs of the real estate services industry.

To achieve this end, full manpower survey will be conducted for the real estate services industry once every four years, supplemented by periodic information updates through focus group meetings and desk research in the interim. According to the schedule, the RETB completed its latest full manpower

survey in 2018 and a manpower update report would be published in 2020.

Objectives

The objectives of the manpower update are:

- (i) to examine the latest manpower trends and development of the industry;
- (ii) to explore the job market situation and training needs;
- (iii) to identify the recruitment and retention challenges; and
- (iv) to recommend measures to meet the training needs.

Methodology

Overview

The RETB will collect a holistic quantitative manpower information of the real estate services industry through conducting full manpower survey once every four years, supplemented by carrying out two periodic updates in the interim, through focus group meetings and desk research. For the purpose of this update report, only views of the focus groups and data of desk research will be covered.

Focus Group Meeting

The focus group meeting is intended to collect industry's view on the latest trend of the manpower development, training needs, and recruitment difficulties, etc. Members participating in the focus groups are representatives from the following sectors:

- (i) Real estate development;
- (ii) Property management and maintenance;
- (iii) Estate agency; and
- (iv) Estate surveying, valuation and consultancy.

A focus group meeting (2 hours), moderated by the RETB Secretariat, was held on 28 September 2020. The moderator initiated the discussion with general questions and probed into more specific context to collect in-depth information on relevant topics in the discussion guide.

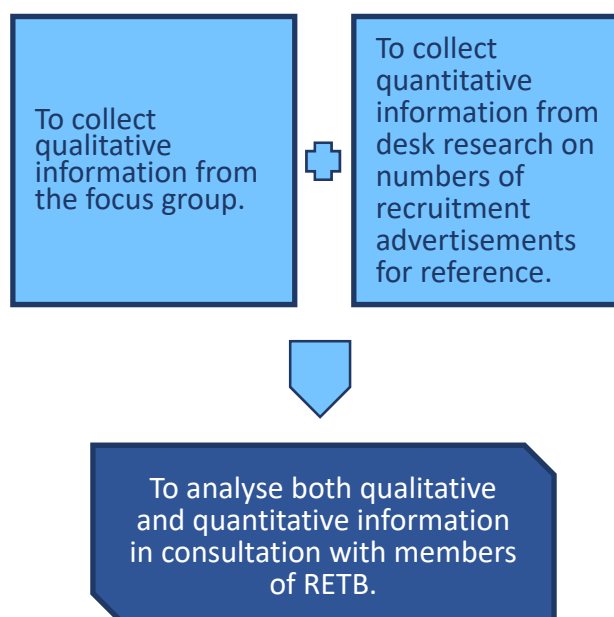
Desk Research

Manpower information covering the period from July 2019 to June 2020 was collected through desk research. The information includes the number of job advertisements, required competency of the posts, qualification and experience, and market remuneration, etc. An integrated database was developed to capture the relevant recruitment data from major online recruitment portals.

Over 930,000 recruitment records were collected during the research period and served as indicative information of the job market trend. Information was mapped against the list of related companies under the Hong Kong Standard Industrial Classification and duplicated records were removed during the process. As a result, some 8,500 relevant recruitment records were used for analysis.

Data Analysis

The analysis consists mainly of the following three steps:



Limitations

As this is not a full manpower survey, the findings and recommendations of the focus group meeting are more qualitative in nature and hence the manpower update report focuses mainly on the manpower trends. The information of job advertisements was collected from major recruitment websites and the Labour Department. Other channels, such as

social media and referral by friends, were not covered by desk research.

Since the data collected is a snapshot of a particular period without reference to any historical data, this can serve as reference information supplementary to the findings of the focus group meeting. The data may not be able to directly compared with the figures recorded in the full manpower survey.

Findings

Factors Affecting the Development of the Industry

The RETB has identified several factors affecting the development of the industry to facilitate discussion by focus group. Focus group members were invited to give their views on relevant questions in relation to those factors to understand the influences on the recent development or changes in respective sectors of the industry.

Social Unrest and COVID-19 pandemic

Since the second half of 2019, Hong Kong's economy has experienced a setback amid the social unrest, COVID-19 pandemic and external uncertainties. As a result, retail, catering and hospitality industries have become the most hard-hit industries; real estate services industry is comparatively less affected.

The Real Estate Development Sector

Despite the fact that the number of agreements for sale and purchase of residential building units as published by

the Land Registry has dropped from May 2019 (8,208 agreements monthly) to April 2020 (4,102 agreements monthly), the property prices remain relatively stable. The Real Estate developers have continued to adjust their sales strategies to cope with the market development.

During the social unrest and COVID-pandemic, the real estate developers postponed their schedules for the sales of residential building units. As a result, a large number of potential buyers is accumulated and a large transaction volume has been recorded whenever the sales has resumed. It is believed that the demand for residential property and the buyer's purchasing power are still high;

the property market would be recovered when the outbreak is fully under control.

The Property Management and Maintenance Sector

During the social unrest, there was a high demand for other ethnic security guards and customer service personnel with crisis management skills by property management companies to safeguard their clients' properties and facilities. Despite the fact that the demand has brought a new business opportunity to the sector, it is nonetheless difficult to recruit suitable personnel to meet the demand as the sector has been facing a prolonged manpower shortage problem, and many job openings are still left unfilled.

On the other hand, property management companies have engaged some manpower in carrying out disinfection, body temperature measurement and the maintenance of building services amid the COVID-19 pandemic.

The Estate Agency Sector

The estate agency sector considers that the social unrest and COVID-19 outbreak had a short-term impact to the sector. Given that there is still a high demand for residential property, the transaction record for sale and purchase of secondary residential building units has shown a rebound since May of 2020. Therefore, the sector has been keeping recruit sufficient manpower to cope with the need of the property market.

For commercial properties, with the rapid development and public buy-in of online shopping mode, the lockdown of the city

and work-from-home arrangement, all of which have reduced the demand for retail shop and office spaces. As a result, many estate agencies have adjusted their manpower in the aspect of commercial properties.

However, it is expected that the abolition of the Doubled Ad Valorem Stamp Duty on non-residential property transaction might have favourable impact on commercial properties market.

In addition, some of the salespersons qualifying examinations have been suspended or postponed as a result of the anti-epidemic measure. In this regard, the estate agency sector is required to revise its manpower plan.

The Estate Surveying, Valuation and Consultancy Sector

In general, the estate surveying, valuation and consultancy sector encountered minimal impact caused by the social incident and COVID-19 outbreak. As this sector provides a wide spectrum of real estate-related services for the stakeholders, activities including land sales; development of new domestic, offices and commercial buildings; redevelopment of old buildings; and revitalisation of industrial buildings, are ongoing.

Government Policy

Private Residential Housing Supply

In the Long Term Housing Strategy Annual Progress Report 2019, the Government has revised the 10-year housing supply target from 450,000 to 430,000 flats, while the public to private flat ratio (70:30), will remain unchanged. As such, the private housing supply target will be decreased to 129,000 flats, which will in turn imply more competitions among the real estate developers on land auction for private housing development, especially when more mainland developers have participated in the market in recent years.

Lantau Tomorrow Vision

The real estate services industry, in general, supports the initiative of the Lantau Tomorrow Vision as it not only enables more land supply to cope with the housing demand but also creates innumerable job opportunities in the industry.

Public-private Partnership

A public-private partnership (PPP) is a contractual arrangement involving the private sector in the delivery of public services. Hong Kong has started PPP many years ago, mainly in infrastructure, housing and community facilities projects. The industry recognised the benefits of PPP that could bring together the expertise and resources of the two parties with the intention of providing services or infrastructure at a better sharing of resources; for example, the real estate developer could participate in public

housing development to provide a better quality of the living environment, and the PPP for land provision could unleash the land supply to meet the housing demand.

Advanced Technology

Robot and Internet of Things

New technologies have been widely used by the industry to enhance its services and optimise operations; for example, the property management sector has deployed robots in buildings to perform cleaning, disinfection, temperature detection and even facilities monitoring. The Internet of Things (IoT) technology has been adopted to facilitate the maintenance of building facilities and monitor their operations in real-time.

Smart Home and Intelligent Building

With the growing application of connected home appliances and greater reliance on the efficiency of the Cloud by customers, intelligent building becomes more popular. To increase the attractiveness and value of the properties for sale, most real estate developers have incorporated various technologies including the Smart Home System, IoT, Artificial Intelligence and Machine Learning into their building developments.

Augmented Reality and Virtual Reality technologies

The Estate Agents have been using Augmented Reality (AR) and Virtual Reality (VR) technologies to facilitate potential clients to get an initial idea of the properties through their mobile devices.

The technologies enable clients to perform a 360-degree virtual tour of property for initial screening before selecting a few properties that they would like to visit in person. This mode has helped a lot, especially in times of COVID-19 pandemic to minimize face to face contact.

Big Data

Big data has been commonly used in the industry, especially estate agents and real estate developers. This enables them to conduct customer analysis and segmentation for formulating marketing and promotion strategies.

Video Communication Technology

With the social distancing orders, the city lockdown, and work-from-home arrangement, the industry has been using cloud video conferencing solutions to communicate with its local and overseas staff and clients, for example, in conducting on-line training. It is expected that it would be one of the effective tools for future communication.

China-US Relations

With the escalating tensions between the United States and China, some of the foreign companies have held off their large investment projects in Hong Kong. As a result, the demand for office space and commercial properties has been reduced. The industry expects that the demand will be gradually picked up after the US presidential election held at the end of 2020 as most of the uncertainties will become clear at that time.

Mainland Development

Tapping into the large development potential in the Greater Bay Area (GBA), the industry has been seized the business opportunities in the area. The industry considered that the GBA Youth Employment Scheme, which will be launched soon could help Hong Kong youngsters gain exposure to GBA markets which are going to become more integrated as time passes and the scheme would benefit both fresh graduates and companies.

Recruitment Situation

A total of 8,533 recruitment advertisements related to real estate services industry was captured by desk research exercise within the period between July 2019 and June 2020. The distribution of recruitment advertisements by sectors and by job levels are shown in Figure 1 and 2.

Figure 1
Number of recruitment advertisements of the real estate service industry for the period between July 2019 and June 2020 (by Sectors)

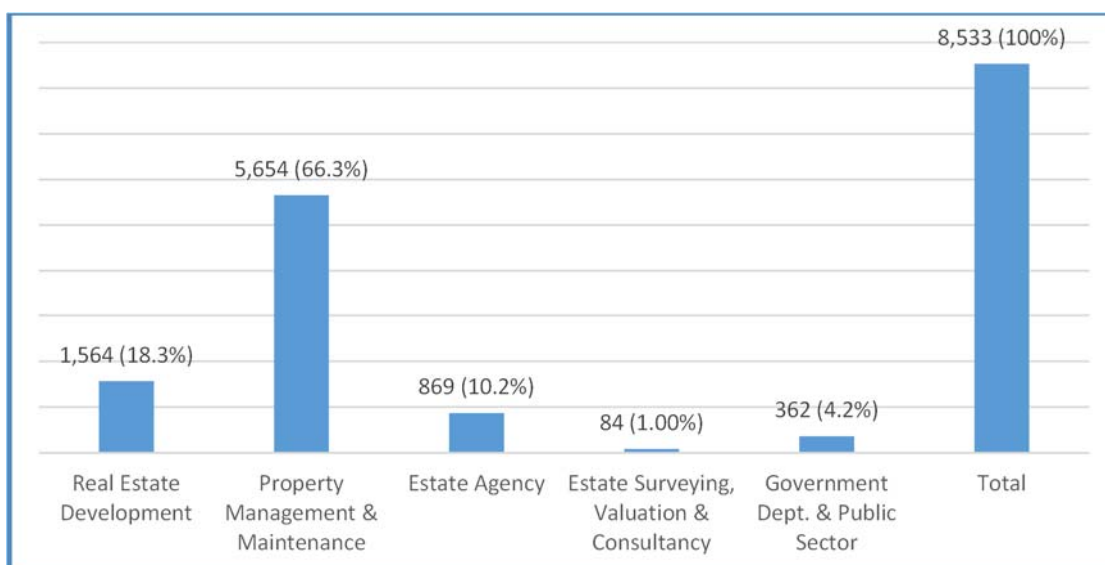
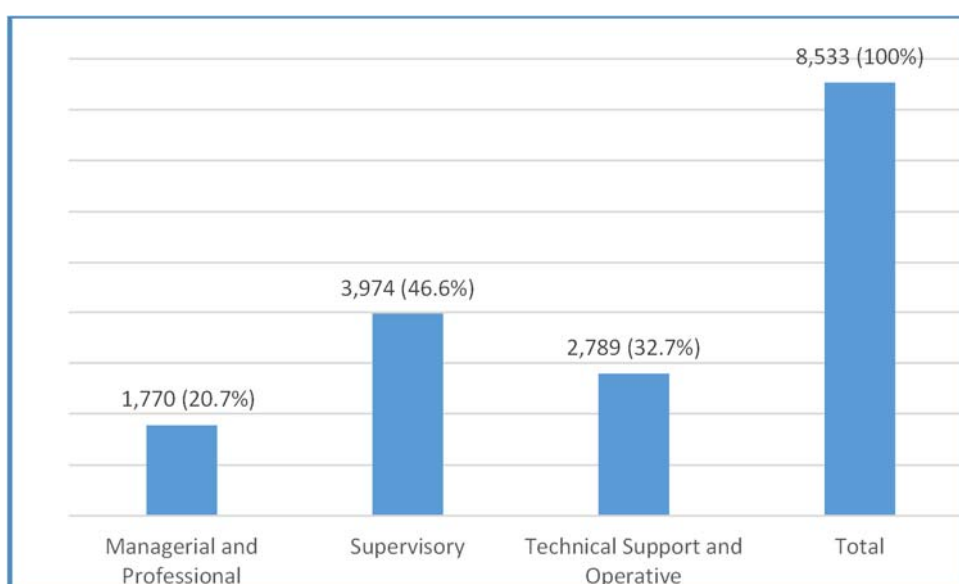


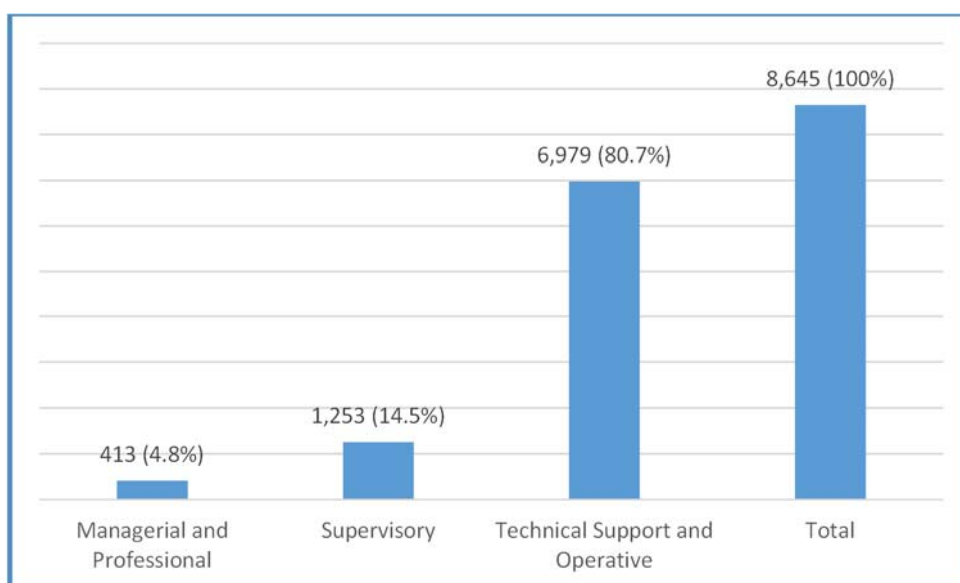
Figure 2
Number of recruitment advertisements of the real estate service industry for the period between July 2019 and June 2020 (by Job Levels)



Comparison with the vacancies as recorded in the 2018 Full Manpower Survey

The table below shows the vacancy situation of the industry in the Manpower Survey of 2018.

Number of vacancies in the 2018 manpower survey of the real estate services industry (by job levels) (Reference Date: 1 May 2018)



The distribution of recruitment advertisements by level was quite different from the vacancies as recorded in the 2018 manpower survey. It might be due to the implementation of the licensing regime of the property management services practitioners in managerial and supervisory levels that led to the variance. Besides, the limitation of the desk research (i.e. some recruitment channels were not covered) might be another reason accounting for the difference. It is anticipated that a more meaningful trend analysis can be formulated in the next manpower update exercise.

Future Manpower Demand

The overall situation of the global and local economy as well as the Hong Kong Government's policy on lands provision will affect the future development of the Real Estate Services industry. Although the economic momentum in Hong Kong has slowed down in the recent year, the industry believes that the situation will have moderate improvement in 2021. Factors affecting the manpower demand are summarised in the ensuing paragraphs.:

Investment of Mainland Real Estate Developer

In recent years, a number of mainland developers have shown interests in the Hong Kong property markets. Some of them have already been awarded government tenders in acquisition of sites. These developers have a demand for local

professionals and workforce to support their projects developed in Hong Kong.

Increasing Number of Asset Management Companies

Apart from the above mentioned, the increasing number of Asset Management and Real Estate Investment Trust companies in Hong Kong also demands for surveying professionals.

Projected Completion of Private Residential Properties

According to the Hong Kong property review 2020 of the Rating and Valuation Department, completions of private residential properties in 2021 are expected to reach to 18,924 units. This new housing supply will further underpin the manpower demand in the property management and maintenance sector.

Outsource of Property Management Services by the Government

At present, the property management services for more than 60 per cent of public rental housing estates under Hong Kong Housing Authority are provided by private property management services companies.

Based on the Housing Authority's Housing Construction Programme and Hong Kong Housing Society's Master Development Programme as at September 2020, the estimated total public housing production of the Hong Kong Housing Authority and the Hong Kong Housing Society in the five-year period from 2020-21 to 2024-25 is around 101,300 units, comprising 70,500 Public Rental Housing/Green Form Subsidised Home Ownership Scheme units and 30,800 other Subsidised Sale Flat Schemes. It is expected that the demand for outsourced property management services would be increased in the coming years. In this connection, there will be a high demand for manpower in the property management and maintenance sector.

Recruitment and Retention Challenges

Some employers have experienced challenges in recruiting and retaining the talents. The difficulties encountered and possible factors leading to the recruitment difficulties are summarised as follows:

Competition for Talents

The Estate Surveying, Valuation and Consultancy Sector anticipates that the change in housing supply ratio between public and private sectors will affect the manpower situation in the private sector.

There is a steady number of graduates from surveying study each year. The increasing ratio of the public housing supply may lead to a corresponding increase in the manpower demand from the government departments, such as Lands Department, Building Department, Housing Department. As a result, it is expected that the private sector will have to face the fierce competition from the government in recruiting new blood.

Preference of the Young Generation

Most graduates of real estate services discipline lack interest in joining the property management and maintenance sector as a career in the traditional professional stream is more appealing to them. It is hoped that the implementation of the licensing regime of the property management services practitioners might enhance the professional image of the industry and help attract more new talents.

Wave of Emigration

As a result of social unrest and depressing social sentiment, many immigration consultants have received enquiries from Hong Kong citizens on emigration services. According to the survey findings on views about emigration from Hong Kong as released by the Hong Kong Institute of Asia Pacific Studies of the Chinese University of Hong Kong on 6 October 2020, 43.9 per cent of the 737 respondents have indicated their desire for emigration. For those who would like to emigrate, 35.0 per cent have started to prepare for the move. The industry anticipates that the wave of emigration might affect the manpower supply in the coming years, in particular, manpower at the professional level.

Stability of New Entrants

The estate agency and property management sectors have recruited certain laid-off employees from other industries during the COVID-19 pandemic. Some employers worry that these new entrants might consider the job as a transitional arrangement, and they might leave for other favourable jobs once the epidemic is contained.

Training Needs

Knowledge and Skill Gaps

Based on the afore-mentioned trend and development of the industry as well as the expected manpower requirement, some in-demand skills and knowledge of the industry are identified as follows:

Technological Skills

With the growing applications of advanced technologies in the industry, there is an increasing demand for in-service practitioners to have the relevant technological skills. For instance, practitioners in estate agency sector are required to have the knowledge of AR and VR applications, employees in property management and maintenance sector should have the knowledge in the use of robotic, smart home and IoT technologies. Since the social media / digital marketing and big data technologies are widely used in the real estate development and estate agency sectors, employees in these sectors

are required to equip themselves with the relevant knowledge and skill.

Essential Practical Skills

As the industry considers that there is not sufficient practical components in the relevant training programmes, many graduates do not have the essential practical skills when they join the industry. In this connection, there is a demand for more practical skills training and internship in the programmes to enhance the employability of the future graduates.

Language and Communication Skills

With the growing use of informal language, image and graphic in instant message and social media applications, it has led to the decline in the capability in communication and writing skill of youngsters. More training programmes in language and communication skills should be offered to youngsters to improve their quality of communication with internal and external stakeholders of the industry.

RECOMMENDATIONS

To meet the future development of the industry, it is essential for the government, employers and education institutions to work together to promote the career prospect of the industry and to provide suitable training opportunities to employees and the young generation. In addition, employees should also take their initiatives to learn and equip themselves with the trade knowledge and skills to cope with the changing world.

	Time of Implementation	
	Short Term	Mid to Long Term
Government	<p><u>Encourage Adoption of Technology</u></p> <p>1. In addition to nurturing more IT professionals, government should promote their various funding schemes to the industry to encourage them to adopt more new technologies.</p>	<p><u>Incentive for Local Talent Development</u></p> <p>1. To address to the manpower needs of the real estate services industry, the Government should provide more subvention to the higher education institutions to increase the number of real estate services related training places.</p> <p>2. To arouse youngsters' interest to join the industry, the Government should consider arranging more real estate services related activities under Applied Learning courses within the senior secondary curriculum. The Government should also support the industry to offer more internship opportunity for students to acquire relevant skills.</p> <p>3. Government should further cultivate Science, Technology, Engineering and Mathematics (STEM) education in primary and secondary schools to nurture for the youngsters' readiness to adapt to the evolving needs of the industry.</p> <p>4. Government should promote lifelong learning to the industry, and consider providing more subsidies such as Continuing Professional Development (CPD) coupon scheme to the employees to receive training.</p>
Education Institutions	<u>Enhancement of Exchange between Industry and</u>	<u>Enhancement of Exchange between Industry and Training Institutions for</u>

	Time of Implementation	
	Short Term	Mid to Long Term
	<p><u>Training Institutions for Nurturing New Blood</u></p> <p>1. To arouse youngsters' interest to join the industry, secondary schools and training institutions can further enhance students' understanding and knowledge of the industry through career talks by industry's leaders and conducting company visits.</p> <p>2. The training institution should seek industry's support to provide more internship/ workplace learning opportunities for students to gain relevant skills and experiences before they join the industry.</p>	<p><u>Nurturing New Blood</u></p> <p>1. To meet with employers' expectations, the training institution should review their training components regularly, and practical skills training should be further strengthened to ensure graduates' readiness to work.</p> <p>2. Soft skills such as language and communication skills should be further strengthened in secondary schools, post-secondary schools and universities to prepare for graduates joining the industry.</p>
		<p><u>Knowledge Support for Practitioners</u></p> <p>1. Training in IT skills, such as the applications of digital marketing, AR and VR, big data and IoT should be enhanced to cope with the growing application of advanced technologies in the industry.</p> <p>2. In light of the implementation of the licensing regime of the property management services practitioners, more professional property management and</p>

	Time of Implementation	
	Short Term	Mid to Long Term
		bridging training courses should be provided for new entrants and in-services practitioners to meet the requirements of the licensing regime.
		<u>Provision of Day-time Release and Bite-size Online Training Courses</u> 1. Apart from arranging more part-time evening courses for in-service participants, education institutions might consider providing day-time release and bite-size online training courses for practitioners to learn with great autonomy.
Employers	<u>Setting of Clear Career Path</u> 1. To retain employees and attract potential talent, employers should consider charting out the career pathways with employees to increase their commitment to companies and for retention of talents.	<u>Nurture New Blood</u> 1. Employers can consider offering more internship/ workplace learning opportunities for students in order to help nurture new blood for the industry.
	<u>Facilitate Employees Training</u> 1. Employers should create a learning culture in the workplace to facilitate the growth of employees and the companies. In addition to support employees to receive training in education	<u>Application of Emerging Technologies</u> 1. The industry is encouraged to make use of emerging technologies to enhance the efficiency of their organisations and alleviate the problem of manpower shortage.

	Time of Implementation	
	Short Term	Mid to Long Term
	<p>institutions, employers can consider providing tailored made in-house staff training programmes. By maintaining regular communication with employees and providing good coaching to them in the daily work, it can help build up their confidence and competence in meeting the job requirements. Employers are also encouraged to make use of the Government subsidy scheme such as Reindustrialisation and Technology Training Programme (RTTP) to train their staff in advanced technologies</p>	
Employees	<p><u>Proactive to Learn</u></p> <p>1. Employees should proactively equip themselves with the updated trade specific skills and IT knowledge to enhance their competitiveness in the job market. They can learn at their own pace regardless of place and time by taking online bite-size courses available in the market. They are also encouraged to make use of the subsidies provided by the Government such as the Continuing Education Fund, the Skills Upgrading Scheme Plus, reimbursement of subsidy under the Recognition of Prior Learning etc. for lifelong learning and career development.</p>	
Real Estate Services	<p><u>Facilitate Publicity Activities</u></p>	

	Time of Implementation	
	Short Term	Mid to Long Term
Training Board (RETB)	1. To attract more youngsters to join the industry, the RETB would promote the career and training opportunities of the industry through different channels such as Internet, seminars and school talks in collaboration with the various relevant industry's associations.	

**Number of job advertisements of
the real estate service industry
for the period between July 2019 and June 2020
Qualification requirements by job level**

		Qualification							Total
		Post Graduate	University Degree	Sub-Degree / Higher Diploma / Higher Certificate	Diploma / Certificate / Apprenticeship	Upper Secondary (F.4 or above)	Lower Secondary (F.1 to F.3)	Primary	
Job Level	Managerial and Professional	11	1,008	216	134	52	-	-	1,421
	Supervisory	-	789	1 012	907	433	23	4	3,168
	Technical Support and Operative	-	221	307	708	628	40	20	1,924
Total		11	2,018	1,535	1,749	1,113	63	24	6,513

**Number of online job advertisements of
the real estate service industry
for the period between July 2019 and June 2020
Experience requirements by job level**

		Year of experience						Total
		0 Year / No requirement	1-2 Years	3-4 Years	5-6 Years	7-8 Years	Over 8 Years	
Job Level	Managerial and Professional	21	53	117	296	164	125	776
	Supervisory	88	509	507	332	37	25	1,498
	Technical Support and Operative	168	473	203	28	12	-	884
Total		277	1,035	827	656	213	150	3,158

**Number of online job advertisements of
the real estate service industry
for the period between July 2019 and June 2020
Monthly Salary Range by job level**

		< \$10,000	\$10K - \$15K	\$15K - \$20K	\$20K - \$30K	\$30K - \$40K	\$40K - \$60K	> \$60K	Total
Job Level	Managerial and Professional	-	-	1	16	14	3	-	34
	Supervisory	2	26	106	43	4	-	1	182
	Technical Support and Operative	65	65	46	21	4	-	-	201
Total		67	91	153	80	22	3	1	417