

President's Message for the Annual General Meeting

Dear Members,

I hope you all had an enjoyable summer with your family and loved ones relaxing, travelling and doing what you would like to do to pass the lazy summer days away.

Now that school has resumed and we are all back at work, I would like to bring you up to speed as to what has developed at HKIA since I wrote to you in May.

Management Review

As mentioned in the last report that we are juggling many balls, we sometimes lose track of what we are doing and how we are doing it.

In this regard, Council has tendered for a Management Consultant to review the whole structure and working of HKIA.

K&M Consultancy Co Ltd was appointed in August 2007. The Company has conducted individual interviews with all Council Members, Legislator, Development Bureau, the Secretariat, the Beijing Office, Past Presidents and others related to the work of the Institute. Most importantly, a survey of our members was carried out and I thank those who took the time to respond.

The Management Report will be ready for review by the Council in late November 2007. We hope that the Report will give the Council a clear Mandate of what you as our members would want your Institute to serve and represent you and how. It is important that we follow the general consensus and do what is best for the Institute as a whole and for the majority of the members even though individual concerns are noted. We hope to report to you early next year as to how and when we could implement the suggestions recommended in the Management Report.

Financial Position

The Institute for the last few years has incurred a deficit. This deficit will accelerate naturally with inflation and increases in wages and the doubling of the rental of our premises.

There are also activities that have been committed and new initiatives to serve our members. As our subscription has not increased since 1997, our deficit will accelerate and we will not be able to balance our recurrent operation costs with our subscription thus resulting in dipping into our reserve.

As a good steward of our resources, I hope you will understand that we need to stop the bleeding. With the motion to increase the subscription denied, the Council shall do some consultation with members to explain our current financial position to support the proposed subscription rate. A forum will be conducted where members can express their comments before we have another SGM to present the motion to the members. If it is not passed, the Council's hands will be tied and we will not be able to act effectively for you.

THE CHOICE IS YOURS.

A Finance Advisory Committee has also been formed consisting of Mr Ng Yook Man, Mr Edward Ho, Mr Lam Wo Hei to advise on investment strategies for our modest reserve to make it work harder and safer for us rather than keeping the reserve in a low fixed savings deposit between 2-3% interest per annum.

Mutual Professional Recognition Under CEPA

I am pleased to report that 58 of our members passed the Professional Assessment in Nanjing this year. We have made representations to the Ministry of Construction of the PRC and to the HKSAR Government that there is a strong demand from our members to either extend the period beyond 2008 or increase the number of candidates for the last Mutual Recognition exercise. I hope to report to you as soon as I have some news.

Corporate Membership

There are now 117 firms that have become Corporate Members (CM) of the Institute. Those who have not qualified as an entity under the Rules can become Practice Firms with a reduced CM subscription. The Committee is hard at work to form sub-committees to cover areas of interests to the Corporate Members.

An exhibition to promote Architectural Services in Dubai in October 2007 under the branding of HKIA Corporate Members attracted 8 firms which exhibited their works. We shall continue to selectively participate in promoting the HKIA brand.

Study Tour

The long haul overseas tour to Russia was a success with 36 participants.

Any suggestions of destination of interests will be considered for next year for

both long and short haul trips.

Professional Assessment

Mr C C Choi, the former Secretary General of the Hong Kong Examination and Assessment Authority was engaged for a very nominal sum to carry out a review of our Professional Assessment to make it even better. A full comprehensive report has been completed in September and has been presented to both the Board of Educational Affairs as well as to the Council with some very good recommendations.

Consequently, concurrent with the task of monitoring the PA process, a part-time staff competent to carry out the initiatives in the report will be employed. An advertisement for this additional staff was placed in our website and we are in the process of selecting the appropriate candidate.

International Architectural Organization

In September, Joseph Kwan, Anna Kwong and I represented HKIA in attending the ARCASIA 2007 – 28th Council Meeting & Forum 14 in Colombo, Sri Lanka.

My report has been uploaded on the web for those who are interested to know more about the Forum.

The Chief Executive's Policy Address

The address on 10 October 2007 was positive and there is a very high chance that within the next five year's term, many of the items could be carried out.

There are six clauses dedicated to Heritage Conservation and our members should take advantage of these items to partner with Government.

Work Opportunities and Professional Resources

With the expansion of our market outside of Hong Kong together with the increased work within Hong Kong, we are all busier than ever. This brings in another problem of insufficient professional staff, increase in salary and increase in rental of premises.

In the short term, we are asking Government to relax immigration of qualified professional staff and in the longer term, we are asking the respective

Architectural Schools to increase places for Architectural Students.

Our young architects have introduced a mentoring system with the Architectural Students and this is encouraging as we need to retain those who are already studying in the profession.

HKIA Premises

Despite the doubling of our rental from the low of 2004, we have decided to stay where we are. The new tenancy will be from 1 June 2008 for three years. This will still be the most economical solution as we do not need to spend a lot of money on the interior design fit out of new premises.

Some money will still need to be spent to increase the Secretariat areas to accommodate additional staff, including 2 rooms for 2 senior managers, the introduction of a library and a refreshment counter.

The assembly area will be reduced to accommodate between 50 and 70 persons. For any other larger meetings, we shall need to go outside which is not too often.

I hope you will all come to visit the Institute in its convenient and familiar location when the modification is completed in mid January 2008 for the new Lunar Year of the Rat.

Annual Dinner

On alternate years, we shall have a Dinner instead of a Ball which is a lot more formal.

This year's Dinner on 24 November is at the lawn of the Hong Kong Country Club under a series of marquees with a full moon.

The Organizing Committee has put in a lot of hard work to make this event special and enjoyable. The theme is "The Wild Wild West". So do come in your jeans and cowboy boots.

Hong Kong/Shenzhen Biennale

This twin city Biennale to celebrate the 10th Anniversary of Hong Kong's reunification with China will kick off in the Opening Ceremony on 9 January 2008. Do come along!

A lot of work has gone into this by our Committee Members headed by Rocco Yim and Alice Yeung. A special thank goes to the Hong Kong Jockey Club for being the main financial sponsor together with the Home Affairs Bureau and Mr Eric Cheng. A big thank you also goes to the Lands Department for allowing us to use the Old Police Headquarter on Hollywood Road as the venue for this exciting event.

Dr. Ronald Lu, *FHKIA*
President
The Hong Kong Institute of Architects