

By Uma Shankari

Change property agents' income structure: panel

THE compensation structure for real estate agents here remains a hindrance to making the industry more professional, panelists at a congress said yesterday.

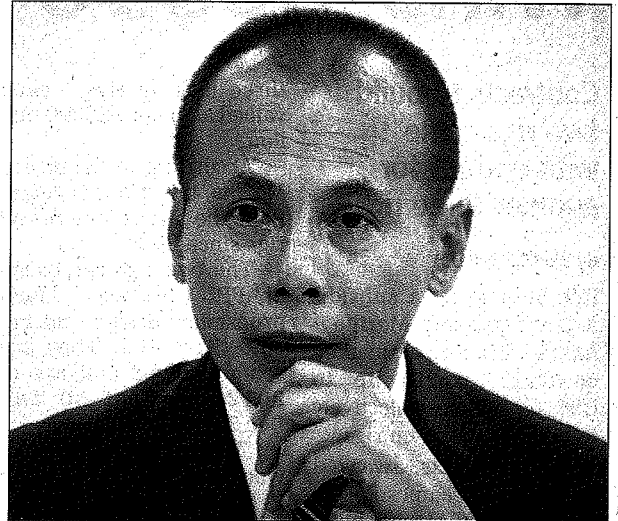
Most property agents in Singapore get a lot of their income from commissions, which can drive them to try to close sales at the expense of customers' interests, the panellists said.

"As long as the compensation package drives you the other way, it is very hard for you to be professional," said Far East Organization's chief operating officer Chia Boon Kuah.

Leong Sze Hian, immediate past-president of the Society of Financial Service Professionals and a Wharton Fellow, agreed.

He reckons a minimum wage system would help somewhat.

"As long as you have a



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Mr Chia: *'As long as the compensation package drives you the other way, it is very hard for you to be professional.'*

lot of people who don't earn enough to make a decent living, or who have to make a decent living in a way that loses the trust of the customers, then how can you be professional?" Mr Leong asked a room full of estate agents.

Mr Chia and Mr Leong were part of a panel on developing world-class real estate professionals in Singapore at the inaugural International Real Estate Congress.

The congress is jointly organised by the Singapore Institute of Surveyors and Valuers (SISV) and Singapore Accredited Estate Agencies (SAEA).

The other two panellists – PropNex chief executive Mohamed Ismail and ERA Asia-Pacific associate director Eugene Lim – said growing the public's trust in the profession is crucial.

Most panellists and real estate professionals are hopeful that the government's move to set up a statutory board – the Council

for Estate Agencies – to regulate the industry will ensure that property firms and agents have the knowledge to provide professional service while working ethically.

They noted that this is especially important as the real estate markets become more globalised.

In recent years, foreigners have shown an increasing interest in real estate in Singapore and other Asian cities such as Shanghai and Beijing, said Senior Minister of State for National Development and Education Grace Fu at the opening of the congress yesterday.

"To serve an increasingly diverse global clientele, the role of the real estate professional will have to evolve to encompass regions beyond the local market," Ms Fu said.

"With a global real estate market, real estate practitioners will need to possess the requisite knowledge on legislation and policies of many countries."