

18th July 2001

Mr. John Tsang
Secretary for Planning and Lands
Planning and Lands Bureau
9th Floor, Murray Building
Garden Road,
Hong Kong

Dear Mr. Tsang,

Future of the Urban Renewal Authority

We are staff of the Urban Renewal Authority (URA). We are glad to learn from news reports that you attach great importance to urban renewal in Hong Kong and would like to draw your attention to the wrong direction that the URA is taking, which, in the view of legislators, may jeopardize the relationship between the Administration and the legislature.

You may be aware that the Planning, Lands and Works Panel of the Legislative Council (LegCo) had a meeting on 9th July 2001. During the meeting, LegCo members have discussed in detail the operations of the URA. The proposed changes to the terms and conditions of service of URA staff were among the major issues. Having fully considered arguments and data put forward by the senior management of the URA and the staff, the panel passed a resolution demanding that the URA maintain the terms of employment of existing URA staff unchanged.

This is not a casual decision by the legislators, especially when one takes into account the intensive lobbying efforts conducted by senior management of the URA behind closed doors.

The legislators were angered by the decision of the URA to conduct a pay review shortly after its establishment. The Hon Albert Chan told Deputy Secretary for Planning and Lands, Mr. Stephen Fisher, at the meeting that legislators would not have supported the Urban Renewal Authority Ordinance if they had known that there would be such a pay review. In response to queries by the legislators, Mr. Fisher reiterated undertakings given by the Government to LegCo as well as to the staff of the former Land Development Corporation (LDC), i.e. that terms of employment of URA staff would not be changed unilaterally and no new employment contract will be required after the establishment of the URA.

Your particular attention is drawn to the fact that this undertaking was made by the Government without any pre-conditions. This is not anything like recommendation or suggestion by the Government to the URA Board. The issue right now is how the Government would honour an undertaking to LegCo. The Hon Albert Chan took this as a possible threat to the relationship between the Administration and the legislature.

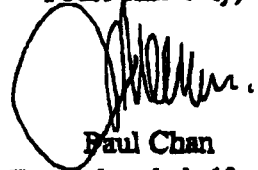
We are given to understand that the URA has decided to ignore the resolution passed by the LegCo panel. The URA Board will meet tomorrow to decide on the pay review. We support the proposal by the Hon James To and urge the Planning and Lands Bureau, as the policy bureau of the Planning Department, Lands Department and Buildings Department, to require directors of these departments, who are ex-officio members of the URA Board, to vote against any proposals that go against the interests of URA staff.

By copy of this letter, we call on the Director of Home Affairs, who is also an ex-officio member of the URA Board, to state to the URA Board meeting that any unilateral changes to the terms of employment of the staff would be detrimental to the integrity of the Government and put in issue the public interest.

As the issue is a complicated one and its impact is far-reaching, we would be most grateful if you wish to contact us and know more about the views of the URA staff.

Should you have any queries, please feel free to contact the undersigned at 9016-7580.

Yours sincerely,



Paul Chan

For and on behalf of the
Preparatory Committee of
Staff Association of Urban Renewal Authority

- c.c. Acting Chief Executive of the SAR,
- Financial Secretary,
- Director of Home Affairs,
- Director of Planning,
- Director of Lands,
- Director of Buildings,
- Chairman of Planning, Lands and Works Panel, LegCo,
- Chairman of URA Board