

# 立法會 *Legislative Council*

LC Paper No. CB(1)2027/99-00  
(These minutes have been seen  
by the Administration and cleared  
by the Chairman)

Ref: CB1/BC/9/99/2

## **Bills Committee on Urban Renewal Authority Bill**

### **Minutes of meeting held on Monday, 5 June 2000, at 12:45 pm in Conference Room A of the Legislative Council Building**

- Members present** : Hon Edward HO Sing-tin, SBS, JP (Chairman)  
Hon LEE Wing-tat  
Hon James TO Kun-sun  
Hon CHAN Yuen-han  
Hon Andrew WONG Wang-fat, JP  
Hon WONG Yung-kan  
Hon Emily LAU Wai-hing, JP
- Members absent** : Hon Gary CHENG Kai-nam, JP (Deputy Chairman)  
Hon HO Sai-chu, SBS, JP  
Ir Dr Hon Raymond HO Chung-tai, JP  
Hon LEE Cheuk-yan  
Hon NG Leung-sing  
Hon Ronald ARCULLI, JP  
Hon Christine LOH  
Dr Hon LEONG Che-hung, JP  
Hon LEUNG Yiu-chung  
Hon TAM Yiu-chung, GBS, JP  
Hon FUNG Chi-kin  
Dr Hon TANG Siu-tong, JP
- Public officers attending** : Mr Stephen FISHER  
Deputy Secretary for Planning and Lands  
(Urban Renewal and Buildings)
- Ms Olivia NIP  
Principal Assistant Secretary for Planning and Lands  
(Urban Renewal)

Mr T K LEE  
Assistant Director/Urban Renewal (Ag)  
Planning Department

Mr J D SCOTT  
Senior Assistant Law Draftsman

**Clerk in attendance :** Miss Odelia LEUNG  
Chief Assistant Secretary (1)1

**Staff in attendance :** Ms Bernice WONG  
Assistant Legal Adviser 1

Miss Becky YU  
Senior Assistant Secretary (1)3

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As the Administration had tabled its response to members' concerns raised at the meetings on 29 and 31 May 2000, members agreed to discuss the relevant information papers before continuing with the clause-by-clause examination of the Bill.

*(Post-meeting note: The Administration's information papers were subsequently circulated to members vide LC Paper Nos. CB(1) 1778/99-00(01) and (03).)*

Meeting on 29 May 2000  
(LC Paper No. CB(1) 1778/99-00)

2. Mr Andrew WONG opined that it would be unfair to those displaced tenants who had received cash compensation in lieu of rehousing if they were deprived of the opportunity for receiving any form of rehousing or housing assistance for a period of three years. The Deputy Secretary for Planning and Lands (DS/PL) advised that the restriction was necessary to prevent double benefits. Tenants who were registered on the Waiting List of the Housing Authority (HA) and had opted for cash allowance in lieu of rehousing should not be allocated a public rental housing (PRH) flat within the three-year period. Otherwise, tenants whose PRH applications would mature in the near future might opt for cash allowance. Mr WONG did not accept the Administration's explanation. He remained of the view that affected tenants should be offered PRH once their turn for allocation came up.

3. Mr NG Leung-sing cautioned that tenants who had, under their names, separate tenancies in different urban renewal target areas might be able to enjoy double benefits upon redevelopment of individual target areas. DS/PL advised that this would not be the case as the Urban Renewal Authority (URA) would register the names of all

tenants who had received compensation and rehousing. The records would be used to ascertain the eligibility of tenants of a new project for compensation and rehousing.

4. The Chairman asked if the Administration would consider requiring tenants who had received cash compensation to reimburse URA on a pro rata basis should they wish to be rehoused to PRH before the expiration of the three-year period. Ms Emily LAU and Mr James TO supported the proposal as this would ensure rational allocation of rehousing resources on the one hand and provide greater flexibility for URA on the other. DS/PL undertook to consider the proposal put forward by the Chairman.

5. At members' request, the Administration undertook to provide figures on the average cash compensation offered to different types of households affected by the redevelopment projects of the Lands Development Corporation over the past years.

*(Post-meeting note: The Administration's response was circulated to members vide LC Paper No. CB(1) 1802/99-88(03).)*

6. On district advisory committees (DACs), Ms Emily LAU considered that the Administration should specify the establishment and composition of DACs in the Bill. DS/PL advised that this might not be feasible as detailed arrangements for DACs had yet to be worked out by URA taking into account the experience to be gained in implementing its redevelopment projects. He nevertheless undertook to include in the Urban Renewal Strategy (URS) the establishment of DACs in each of the nine target areas. In view of the important role of DACs, the Chairman considered it necessary for the Secretary for Planning and Lands (SPL) to mention the establishment of DACs at the Second Reading debate of the Bill. Miss CHAN Yuen-han also urged the Administration to include District Council members and professionals in DACs to enhance their representativeness.

7. As to whether directors of URA would attend meetings of DACs to collect views of the local community on urban renewal, DS/PL agreed that the two executive directors should include attending DAC meetings as part of their duties. While efforts would be made to encourage non-executive directors to attend DAC meetings as well, DS/PL emphasized that this was by no means an obligation as they might not have time to attend these meetings. Mr LEE Wing-tat did not accept the Administration's explanation as the non-executive directors of HA were also required to attend meetings of individual Estate Management Advisory Committees to collect views of tenants on estate management. He considered that similar arrangement should be applied to URA.

#### Meeting on 31 May 2000

(LC Paper No. CB(1) 1778/99-00(03))

8. On the honorarium for the Chairman of the URA Board, DS/PL advised that this would be determined by the Chief Executive (CE) after the passage of the Bill taking into account the preference of the candidate concerned since he might not wish to accept the allowance. For members' information, the Chairman and non-executive

directors of LDC were paid an annual allowance of \$100,000 and \$65,000 respectively. Ms Emily LAU however opined that the payment of honorarium should be a matter of principle rather than a personal choice. Mr NG Leung-sing echoed that the Administration should have in place a standard basis for determining the remuneration for non-executive directors, including chairmen, of statutory bodies.

9. Ms Emily LAU expressed disappointment at the Administration's refusal to peg the remuneration package of the Managing Director of URA to the pay package of a senior civil servant on the ground that the latter was unattractive to suitable candidates from the private sector. DS/PL explained that as the pay packages of many of the existing LDC staff were already higher than that of a senior civil servant, the Administration held the view that it would not be reasonable to peg the remuneration package of the Managing Director of URA, who would be head of the LDC staff upon their transfer to URA, to that of a senior civil servant. Given that the post would be subject to open recruitment, the present thinking was that the remuneration package would be comparable to that of a similar position in the private sector. He nevertheless remarked that a decision on the remuneration package of the Managing Director of URA had yet to be reached pending the results of the two consultancy studies.

10. The Chairman considered it inappropriate that reference should be made to the private sector in determining the remuneration package of the Managing Director of URA. He pointed out that unlike their counterparts in the private sector, the Managing Director of URA would not be required to meet the bottom-line. In reply, DS/PL clarified that the remuneration package and renewal of the employment contract or otherwise of the Managing Director of URA would also be performance-based.

11. Miss CHAN Yuen-han remained of the view that the remuneration packages of the Managing Director and the two Executive Directors of URA should be determined by the URA Board rather than CE to ensure proper checks and balances. DS/PL advised that as the Managing Director and the two Executive Directors were all members of the URA Board, it would be more appropriate if an authority other than the URA Board could determine their remuneration packages as in the case of the Mandatory Provident Schemes Authority and the Securities and Futures Commission.

## **II Clause-by-clause examination of the Bill** (LC Paper No. CB(1) 1424/99-00(06))

### Clause 5. Purposes of Authority

12. Ms Emily LAU opined that the Administration should specify in the Bill that URA should adopt a people-oriented approach in implementing the urban renewal programme. DS/PL advised that this might not be possible as it was difficult to define clearly the term "people-oriented". He nevertheless undertook to spell out in URS that appropriate and affordable rehousing would be provided for tenants affected by URA projects, and that fair and reasonable compensation would be offered to owners whose properties were resumed for the implementation of redevelopment

projects. Ms LAU considered that there was a need for SPL to mention the undertaking at the Second Reading debate of the Bill. DS/PL took note of Ms LAU's view.

13. The Chairman noted with concern that clause 5(f) as drafted would provide URA with extremely wide power to engage in other activities which CE might assign. DS/PL explained that clause 5(f) was a common provision in legislation relating to statutory corporations. It aimed to obviate the need to amend the principal legislation whenever a further function or duty was required to be conferred upon the corporations. He added that any order issued under clause 5(f) would be confined to the objects and purposes of the Bill. In other words, the other activities and duties should relate to the purposes of carrying out urban renewal and for connected purposes". Given the different response to the query raised regarding the same clause in the White Bill, the Assistant Legal Adviser 1 considered that there was a need for the Administration to specify in the Bill that orders made under clause 5(f) should be subsidiary legislation, or that they would be subject to the scrutiny of the Legislative Council.

*(Post-meeting note: The Administration's response was circulated to members vide LC Paper No. CB(1) 1802/99-00(03).)*

14. Mr Andrew WONG asked if CE could order the transfer of HA projects to URA under clause 5(f). DS/PL advised that this was feasible in principle, but necessary amendments to the Housing Ordinance (Cap. 382) would be required.

### **III Any other business**

15. In view of the tight legislative time-table, members agreed that the Administration should give notice to resume Second Reading of the Bill despite that the Bills Committee had yet to complete the scrutiny of the Bill.

16. Members agree to hold two additional meetings as follows:

- Monday, 12 June 2000, at 4:30 pm; and
- Wednesday, 14 June 2000, at 8:30 am.

17. There being no other business, the meeting ended at 2:30 pm.

Legislative Council Secretariat  
6 November 2000