

**Select Committee to Inquire into Matters relating to
the Post-service Work of Mr Leung Chin-man**

**Information provided by the Administration in response to
the Clerk to Select Committee’s letter of 18 December 2008**

	Document No.
(A) <u>Civil Service Bureau (“CSB”)</u>	
(a) <i>Policies and arrangements governing post-service outside work of directorate civil servants</i>	
1. The purpose of the introduction of the control regime for post-service outside work of directorate civil servants (“the control regime”). <i>CSB’s Response : We have briefed Members of the Legislative Council Panel on Public Service on the current control regime governing post-service outside work of directorate civil servants at its meeting on 27 October 2008. The policy objective is set out in para. 2 of LC Paper No. CB(1) 84/08-09(01) (CSB1).</i>	C6 CSB1 (E/C)
2. Details of the pre-January 2006 arrangement (the “old arrangement”) and the post-January 2006 arrangement (the “new arrangement”) governing post-service work of directorate civil servants, and comparison of the “old arrangement” and the “new arrangement” in respect of the control parameters, assessment criteria/considerations to be taken into account in vetting the applications, sanctions and processing procedures, etc. <i>CSB’s Response : Details of the control regime and a comparison of the “old arrangement” with the “new arrangement” are set out in paras. 10 to 16 and Annex of LC Paper No. CB(1) 84/08-09(1) respectively (CSB1).</i>	C6 CSB1 (E/C)

3.	<p>Background leading to the introduction of the “new arrangement” and reasons underlying the changes made.</p> <p><i>CSB’s Response :</i> The background leading to the review of the policy on post-service employment of former directorate civil servants can be found at paras. 2 to 9 of LC Paper No. CB(1)1112/04-05(05) discussed at the meeting of Legislative Council Panel on Public Service on 21 March 2005 (CSB2^{C7}). The new arrangement was promulgated and introduced in December 2005 in CSB Circular No. 10/2005 (CSB3^{C8}). The relevant Application Form (only available in English) for making application for permission to take up outside work after ceasing active government service under the “new arrangement” as stipulated in CSB Circular No. 10/2005 is also attached (CSB3A^{C9}).</p>	<p>C7 CSB2 (E/C)</p> <p>C8 CSB3 (E/C)</p> <p>C9 CSB3A (E)</p>
4.	<p>Establishment and organization of the divisions within CSB responsible for or involved in processing applications for post-service work from directorate civil servants.</p> <p><i>CSB’s Response :</i> There are six tiers of officers within CSB who are responsible for processing post-service outside work applications from directorate civil servants with the Secretary for the Civil Service (SCS) at the top tier who is also the authority to decide on whether the application is to be approved or approved with restrictions or to be rejected. Please see attached the organisation chart (CSB4^{C10}).</p>	<p>C10 CSB4 (E/C)</p>
5.	<p>Relevant civil service regulations, circulars and any other documents containing information relating to the control regime, including those setting out the assessment criteria and requirements to be considered in vetting and processing the applications (e.g. CSB Circular No. 10/2005 setting out the “new arrangement”).</p> <p><i>CSB’s Response :</i> CSB Circular No. 13/95 (CSB5^{C11}) and CSB Circular No. 3/97 (CSB6^{C12}) set out the “old arrangement” while CSB Circular No. 10/2005 (CSB3^{C8}) sets out the “new arrangement”. The relevant Civil Service Regulations are</p>	<p>C11 CSB5 (E/C)</p> <p>C12 CSB6 (E/C)</p> <p>C8 CSB3 (E/C)</p>

	<p><i>attached to the Circulars. Please also see attached the Application Form (only available in English) for making application for permission to take up outside work after ceasing active government service under the “new arrangement” as stipulated in CSB Circular No. 10/2005 (CSB3A).</i></p>	<p style="text-align: center;">C9 CSB3A (E)</p>
<p>6.</p>	<p>Measures to enhance the understanding of the control regime by directorate civil servants and ensure their compliance; and in cases where applications for post-service work are granted subject to conditions, measures to monitor compliance of the conditions.</p> <p><i>CSB’s Response : The three CSB Circulars on post-service outside work set out clearly the control regime and are brought to the attention of directorate civil servants. In cases where applications for post-service work are granted with conditions, the conditions will be stipulated in the approval letters. Para. 18 of CSB Circular No. 10/2005^(C8) states that the directorate civil servants concerned should notify the prospective employer of the terms of approval including any sanitisation or restrictions imposed. Thereafter, the directorate civil servant concerned should notify CSB of any material change to the approved work including cessation and update CSB on the status of his/her involvement in the approved work annually within the control period or upon request by CSB.</i></p>	
<p>7.</p>	<p>The terms of reference and membership of the Advisory Committee on Post-service Employment of Civil Servants (“ACPE”); its role and duties in vetting applications on post-service work from directorate civil servants, and the vetting procedures for an application.</p> <p><i>CSB’s Response : The ACPE (formerly known as the Advisory Committee on Post-retirement Employment) was established in October 1987. Please see attached the terms of reference and membership of ACPE (CSB7).</i></p> <p style="text-align: center;">C13</p> <p><i>The vetting procedures for an application as is relevant to the ACPE are set out in paras. 11 to 13 of the confidential paper on</i></p>	<p style="text-align: center;">C13 CSB7 (E/C)</p>

	<p><i>the procedures for processing post-service outside work applications from directorate civil servants prepared by CSB dated December 2008 (CSB11 below).</i></p> <p style="text-align: center;">C21</p>	<p style="text-align: center;">C21 CSB11 (E/C)</p>
8.	<p>Guidelines and papers provided by CSB to assist ACPE's work (e.g. assessment criteria for consideration of application, declaration of interest by members).</p> <p><i>CSB's Response : A brief* ("the Brief") on the Guiding Principles and Criteria for the Assessment of Applications for Post-service Employment by Directorate Civil Servants (CSB-8), a note* ("the Note") on Declaration of Interests (CSB-9) and the ACPE's latest annual report (1 January 2007 – 31 December 2007) (CSB-10) are provided to the Chairman/Members of the ACPE for their reference.</i></p> <p><i>* The Brief and the Note are updated from time to time. The latest versions thereof are attached at CSB8 and 9 respectively.</i></p> <p style="text-align: center;">C14 C15</p>	<p style="text-align: center;">C14 CSB8 (E) CSB9 (E) CSB10 (E/C)</p> <p style="text-align: right;">C15 C16</p>
9.	<p>Any other information which CSB may consider relevant to the scope of inquiry as set out in the resolution passed by the Legislative Council.</p> <p><i>CSB's Response : Please see attached a confidential paper prepared by CSB dated December 2008 setting out the Procedures for Processing Post-service Outside Work applications from Directorate Civil Servants (CSB11).</i></p> <p style="text-align: center;">C21</p>	<p style="text-align: center;">C21 CSB11 (E/C)</p>

(b)	<i>The processing of Mr LEUNG Chin-man's application for post-service work with New World China Land Limited ("NWCL")</i>	
1.	<p>The application submitted by Mr LEUNG Chin-man on 9 May 2008 for taking up work with NWCL including supporting documents (e.g. Mr LEUNG's duties and responsibilities as an Executive Director and a Deputy Managing Director of NWCL) and follow-up correspondence/documents between CSB and Mr LEUNG.</p> <p><i>CSB's Response : Please see attached the following documents –</i></p> <p>(i) <i>Mr LEUNG's application form dated 9 May 2008</i> ^{C2(C)} (CSB12);</p> <p>(ii) <i>SCS's approval letter dated 9 July 2008 to Mr LEUNG</i> ^{C3(C)} (CSB13);</p> <p>(iii) <i>Case record containing the basic information on the approved outside work with NWCL taken up by Mr LEUNG</i> ^{C17} (CSB14);</p> <p>(iv) <i>SCS's letter dated 4 August 2008 seeking Mr LEUNG's clarification on his appointment with NWCL</i> ^{C4(C)} (CSB15);</p> <p>(v) <i>Mr LEUNG's letter dated 11 August 2008 clarifying his job title with NWCL</i> ^{C5(C)} (CSB16); and</p> <p>(vi) <i>Mr LEUNG's email dated 16 August 2008 notifying CSB of his resignation from NWCL and CSB's acknowledgement dated 18 August 2008</i> ^{C6(C)} (CSB17).</p>	<p>^{C2(C)} CSB12 (E)</p> <p>^{C3(C)} CSB13 (E)</p> <p>^{C17} CSB14 (E)</p> <p>^{C4(C)} CSB15 (E)</p> <p>^{C5(C)} CSB16 (E)</p> <p>^{C6(C)} CSB17 (E)</p>

5	<p>Details of the parties consulted on Mr LEUNG’s application and their views or comments, documents on which these views or comments were recorded; and records of or about deliberations by the above parties on Mr LEUNG’s application.</p> <p><i>CSB’s Response : The Permanent Secretary for Transport & Housing (Housing) cum Director of Housing (“PS(H)”), the Permanent Secretary for Development (Planning and Lands) (“PS(PL)” and the Permanent Secretary for Development (Works) (“PS(W)” were consulted on Mr LEUNG’s application. Please see attached the relevant documents and internal records as follows -</i></p> <p><u>Relevant documents</u></p> <p>(i) <i>SCS’s memo dated 19 May 2008 to PS(H), PS(PL) and PS(W) seeking their comments on Mr LEUNG’s application (CSB23);</i> C11(C)</p> <p>(ii) <i>PS(W)’s memo dated 26 May 2008 to SCS providing comments and observations on Mr LEUNG’s application (CSB24);</i> C12(C)</p> <p>(iii) <i>PS(PL)’s memo dated 30 May 2008 to SCS providing information on the Government’s contractual dealings with NWCL and its parent company (CSB25);</i> C13(C)</p> <p>(iv) <i>Exchange of email between SCS and PS(PL) dated 30 May 2008 in relation to further comments on Mr LEUNG’s application (CSB26);</i> C14(C)</p> <p>(v) <i>PS(H)’s memo dated 5 June 2008 to SCS providing recommendation on Mr LEUNG’s application (CSB27);</i> C15(C)</p> <p>(vi) <i>PS(H)’s memo together with the completed assessment on Mr LEUNG’s application dated 10 June 2008 to SCS (CSB28); and</i> C16(C)</p>	<p>C11(C) CSB23 (E)</p> <p>C12(C) CSB24 (E)</p> <p>C13(C) CSB25 (E)</p> <p>C14(C) CSB26 (E)</p> <p>C15(C) CSB27 (E)</p> <p>C16(C) CSB28 (E)</p>
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	<p>(vii) Exchange of email between SCS and PS(W) dated 17 and 24 June 2008 in relation to further comments on Mr LEUNG's application (CSB29). C17(C)</p> <p><u>Internal Records</u></p> <p>(i) Internal record of the Transport and Housing Bureau (Housing Branch) in relation to the submission dated 4 June 2008 and 10 June 2008 to PS(H) (CSB30); C18(C)</p> <p>(ii) Internal records of the Development Bureau (Planning and Lands Branch) ("PLB") (CSB31), including email dated 20 May 2008 to the Buildings Department ("BD") seeking information on the dealings between NWCL and its parent company with the Government, exchange of email dated 20 and 21 May 2008 within BD, email dated 22 May 2008 from BD to PLB and submission dated 26 May 2008 to the Acting PS(PL); and</p> <p>(iii) Internal records of the Development Bureau (Works Branch) ("WB") (CSB32), including exchange of email dated 19 and 22 May 2008 within WB and submission dated 23 May 2008 to PS(W).</p>	<p>C17(C) CSB29 (E)</p> <p>C18(C) CSB30 (E)</p> <p>C19(C) CSB31 (E)</p> <p>C20(C) CSB32 (E)</p>
6.	<p>The composition, role and duties of the Administrative Officer Grade Management and the responsible officer consulted with regard to Mr LEUNG's application.</p> <p><i>CSB's Response : Please see attached a Note prepared by CSB dated December 2008 (CSB33).</i> C19</p>	<p>C19 CSB33 (E/C)</p>
7.	<p>The paper(s) prepared by CSB to ACPE to facilitate ACPE's consideration of Mr LEUNG's application.</p> <p><i>CSB's Response : Please see attached a copy of a confidential fax from the Secretary to ACPE to the Chairman of ACPE dated 30 June 2008 (CSB34) and the confidential paper from the Secretary to ACPE to the members of ACPE dated 2 July 2008 (CSB35).</i> C21(C) C22(C)</p>	<p>C21(C) CSB34 (E) CSB35 (E)</p>
		<p>C22(C)</p>

	<p><i>Please note that there is a clerical error on the number of years that Mr LEUNG had left the post of the Director of Buildings in para. 10 of Document CSB34 and para. 10 of Document CSB35.</i> C21(C) C22(C)</p>	
8.	<p>Documents and/or records containing information relating to the declaration of interest of the Chairman and members of ACPE in considering Mr LEUNG's application.</p> <p><i>CSB's Response : The declaration of interest of the Chairman is shown in the fax sheet of Document CSB34 and para. 14 of Document CSB35.</i> C21(C) C22(C)</p> <p><i>None of the members of ACPE had declared interest in considering Mr LEUNG's application as shown in their reply slip (CSB36).</i> C23(C)</p>	<p>C21(C) CSB34 (E) CSB35 (E) C22(C)</p> <p>C23(C) CSB36 (E)</p>
9.	<p>Follow-up actions taken by CSB and any written records with regard to the declaration of the Hon Justice PANG, Chairman of ACPE, that Mr LEUNG was his secondary school mate.</p> <p><i>CSB's Response : The declaration of the Hon Mr Justice PANG, Chairman of ACPE was recorded in para. 14 of Document CSB22 and para. 14 of Document CSB35.</i> C10(C) C22(C)</p>	<p>C10(C) CSB22 (E) CSB35 (E) C22(C)</p>
10.	<p>Documents or records on which the views or comments of ACPE and/or its individual members, if any, on Mr LEUNG's application were recorded.</p> <p><i>CSB's Response : The views of the Chairman of ACPE were recorded in para. 14 of Document CSB35.</i> C22(C)</p> <p><i>The views of the individual members of ACPE were recorded in Document CSB36.</i> C23(C)</p>	<p>C22(C) CSB35 (E)</p> <p>C23(C) CSB36 (E)</p>

11.	<p>Records containing information relating to the Secretary for the Civil Service (“SCS”)’s consideration of Mr LEUNG’s application, and justifications for granting approval of Mr LEUNG’s application and imposing conditions on the application.</p> <p><i>CSB’s Response : Please see attached the submission to SCS seeking her approval for Mr LEUNG’s application (CSB22).</i> C10(C)</p>	<p>C10(C) CSB22 (E)</p>
12.	<p>The approval letter/document for Mr LEUNG’s application with the work conditions stipulated.</p> <p><i>CSB’s Response : Please see attached the approval letter dated 9 July 2008 (CSB13).</i> C3(C)</p>	<p>C3(C) CSB13 (E)</p>
13.	<p>NWCL’s offer letter and/or appointment contract to Mr LEUNG with terms and conditions of service.</p> <p><i>CSB’s Response : CSB does not have such document.</i></p>	
14.	<p>Correspondence/documents/records between Mr LEUNG Chin-man and NWCL, between Mr LEUNG Chin-man and the Administration in relation to the termination of Mr LEUNG’s contract with NWCL, including reasons for the termination and NWCL’s notification of termination of the contract to Mr LEUNG.</p> <p><i>CSB’s Response : Please see attached the exchange of correspondence between CSB and Mr LEUNG (CSB17).</i> C6(C) <i>CSB does not have any correspondence or documents between Mr LEUNG and NWCL in relation to the termination of Mr LEUNG’s contract with NWCL except the statements issued by NWCL and Mr LEUNG (CSB37).</i> C20</p>	<p>C6(C) CSB17 (E)</p> <p>C20 CSB37 (E)</p>
15.	<p>Any other information which CSB may consider relevant to the scope of inquiry as set out in the resolution passed by the Legislative Council.</p> <p><i>CSB’s Response : We believe we have answered the above</i></p>	

	<p><i>questions and provided copies of the relevant documents. We would be happy to provide further information upon receiving requests from the LegCo Select Committee.</i></p>	
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(c)	<i>The processing of Mr LEUNG Chin-man's applications for post-service work with other real estate organizations</i>	
1.	<p>A list of all post-service work application(s) submitted by Mr LEUNG with the following details:</p> <ul style="list-style-type: none"> (i) date of application; (ii) name of prospective employer; (iii) major business activities of the prospective employer; (iv) nature of the post-service work; (v) remuneration package; (vi) approval or otherwise of the application(s), and the reasons; and (vii) connection, if any, of the organisations with the real estate industry. <p><i>CSB's Response : Save for one application which is not related to real estate organisation, there are three more such applications submitted by Mr LEUNG other than the one with NWCL. Please see attached the following documents –</i></p> <ul style="list-style-type: none"> (i) <i>Information note on Mr LEUNG's application with Hong Kong Housing Society (CSB38);</i> C24(C) (ii) <i>Information note on Mr LEUNG's application with Trust Company International Pty Limited (CSB39); and</i> C7(C) (iii) <i>Information note on Mr LEUNG's application with Fineland Real Estate (Holdings) Company Limited (CSB40).</i> C1(C) 	<p>C24(C) CSB38 (E/C)</p> <p>C7(C) CSB39 (E/C)</p> <p>C1(C) CSB40 (E/C)</p>
2.	<p>Any other information which CSB may consider relevant to the scope of inquiry as set out in the resolution passed by the Legislative Council.</p> <p><i>CSB's Response : We believe we have answered the above questions and provided copies of the relevant documents. We</i></p>	

	<i>would be happy to provide further information upon receiving requests from the LegCo Select Committee.</i>	
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Note:

1. (E/C) denotes that the document is available in both English and Chinese.
2. (E) denotes that the document is available in English only.
3. (C) denotes that the document is available in Chinese only.
4. Document Nos. which are shaded and bold are graded as “Confidential”.