

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

Supplemental witness statement of Mrs Susan MAK LOK Suet-ling

I, Susan MAK LOK Suet-ling, worked as the Deputy Secretary for Development (Planning and Lands)¹ in the Planning and Lands Branch (“PLB”) of the Development Bureau (“DEVB”) from 9 July 2007 to 11 February 2009. During the period, I was responsible for policy issues under the purview of the Lands and Planning Division of PLB. In preparing this supplemental statement, I set out the questions raised by the Select Committee in its Clerk’s letter to me dated 6 April 2009 and then provide my answers to the best of my knowledge.

Q1. The reasons why the Planning and Lands branch of the Development Bureau had not sought views or information from the Lands Department (“LD”) when vetting Mr LEUNG Chin-man’s application for post-service work with New World China Land Limited

A1. When I considered the minute submitted by Chief Executive Officer (Administration) (“CEO(A)”) on 26 May 2008, further augmented by Principal Executive Officer (Administration) and Deputy Secretary (Planning and Lands)² on Mr LEUNG Chin-man’s application for post-service outside work with New World China Land Limited (“NWCL”), it did not occur to me that there was a need to seek views or information from the LD.

Q2. The involvement of (a) the Planning and Lands Branch, and (b) LD in the negotiation of premium for the modification of land lease of the Hunghom Peninsula Private Sector Participation Scheme (“PSPS”) flats with the concerned developer

A2(a) I was Deputy Secretary (Planning and Lands)¹ of the DEVB from 9 July 2007 to 11 February 2009. I was not working in the then Housing, Planning and Lands Bureau (“HPLB”) when the negotiation of the premium for the modification of the land lease of

the Hunghom Peninsula PSPS flats with the developer took place. I had no knowledge about the negotiation of the premium for the modification of land lease of the Hunghom Peninsula PSPS flats with the concerned developer when I considered Mr LEUNG's application. After the public had shown concern on the approval for Mr LEUNG to take up post-service employment with NWCL, I came to understand that the Planning and Lands Branch of the then HPLB was not involved in the negotiation with the developer, but I cannot recall when and from whom I picked up the information.

- (b) I had no knowledge about LD's involvement in the negotiation of the premium when I considered Mr LEUNG's application. After the public had shown concern on the approval for Mr LEUNG to take up post-service employment with NWCL, I came to understand that LD staff was involved in the negotiation of the premium for the modification of the land lease of the Hunghom Peninsula PSPS flats with the developer, and that the LD staff involved reported directly to the Housing Branch of the then HPLB on this particular issue. However, I cannot recall when and from whom I picked up the information.

I would also like to take this opportunity to clarify that, according to the understanding I gained after the public had shown concern on the approval for Mr LEUNG to take up post-service employment with NWCL, the arrangement by which the LD staff reported directly to the Housing Branch of the then HPLB over the negotiation of premium was not a secondment arrangement.

Q3. How and when you were aware that LD was involved in the negotiation of premium for the modification of land lease of the Hunghom Peninsula PSPS flats; your clarification on whether an officer of LD was seconded to the Housing Branch to undertake the negotiation work

A3. I came to understand that LD staff was involved in the negotiation of premium and reported directly to the Housing Branch of the then HPLB on this particular issue after the public had shown concern on the approval for Mr LEUNG to take up post-service

employment with NWCL. I cannot recall when and from whom I picked up the information.

Q4. Whether you were totally not aware of the LD's involvement in the negotiation of the premium for the modification of the land lease of the Hunghom Peninsula PSPS flats when you were considering Mr LEUNG's application for post-service work with new World China Land Limited ("NWCL"); if so, your explanation for such unawareness

A4. I was not aware of LD's involvement in the negotiation of the premium for the modification of the land lease of the Hunghom Peninsula PSPS flats when I considered Mr LEUNG's application for post-service employment with NWCL.

Q5. In Enclosure (5) of M. 1 dated 26 May 2008 from Mrs Pearl SIU, Chief Executive Officer (Administration) (SC(2) Paper No. C19(C)), Mr ST LAM of the Buildings Department advised that *"we do not have contractual dealings with New World China Land Ltd. or its parent company New World Development Co. Ltd. ("NWDL")*. However, there are building plans submissions for development projects (e.g. Hunghom Peninsula project, Tsim Sha Tsui New World redevelopment project) made under the Buildings Ordinance by the subsidiary companies of New World Development Co. Ltd.". Please provide response on the following matters –

(a) at the time of reading the above M. 1, your understanding of the periods of time referred to by Mr S T LAM regarding (i) the Buildings Department not having contractual dealings with NWCL or its parent company NWDL; and (ii) there being building plans submissions for development projects (e.g. Hunghom Peninsula project, Tsim Sha Tsui New World redevelopment project) made under the Buildings Ordinance by the subsidiary companies of NWDL

- (b) the actual periods of time concerning the contractual dealings and building plans submissions referred to by Mr S T LAM in his above comments made to Chief Executive Officer (Administration).**

A5(a) In the context of what was asked by CSB, I had read BD's reply to mean the period since August 1999 when Mr LEUNG became Director of Buildings to the time BD replied to CEO(A).

(b) In order to reply to this question raised by the Select Committee, I have caused to check with the BD. According to BD, the actual periods of time concerning the building plan submissions, including amendment plans, of the two development projects referred to by Mr S T LAM were as follows –

- (i) Hunghom Peninsula PSPS project –
October 1999 to April 2002;
- (ii) Hunghom Peninsula project after its PSPS status was lifted –
May 2005 to April 2008; and
- (iii) Tsim Sha Tsui New World Redevelopment Project –
since February 2008 and is still on-going.

I am still awaiting advice from BD on the actual period covered in respect of Mr S T LAM's reply to CEO(A) that BD had no contractual dealings with NWCL or its parent company.

Susan MAK LOK Suet-ling
8 April 2009