

9th-11th Floors, Citicorp Centre, 18 Whitfield Road, North Point, Hong Kong  
 Telephone +852 2807 6543 Facsimile +852 2806 0303 Website DiscoverHongKong.com E-mail info@hktb.com

香港北角威非路十八號萬國寶通中心九樓至十一樓  
 電話 +852 2807 6543 傳真 +852 2806 0303 網址 DiscoverHongKong.com 電郵 info@hktb.com

## HONG KONG TOURISM BOARD 香港旅遊發展局

Your Ref: CB(3)/PAC/R49  
 23 January 2008  
By Email and By Hand  
 Public Accounts Committee  
 Legislative Council  
 G/F., Legislative Council Building  
 8 Jackson Road, Central HK.  
 Attn: Ms Miranda Hon



Dear Ms Hon,

Re: The Director of Audit's Report on the results for value for money audits (Report No. 49) Chapter 5

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We refer to your letter of 18 January 2008 and would like to provide information as follows:

(a) (i) According to the record of the HKTB, the post of General Manager, Strategic Planning and Marketing had not been advertised and no person other than Ms TONG had applied for or had been interviewed for the post. Those HKTB staff who were involved in the recruitment exercise had already left service.

(a) (ii) No record of interviewers' assessment on Ms TONG can be located.

(a) (iii) No record of recruitment procedures applicable to the recruitment exercise of Ms TONG at that time can be located.

(b) Ms Brenda CHAN's application letter cannot be located from HKTB's files. An email from the former Deputy Executive Director, Mrs Grace Lee, of 1 December 2003 to the former Chairman of the Staff & Finance Committee (email copy attached) shows that Ms CHAN was responding to the advertisement of the HKTB in applying for the post of General Manager, Industry Training and Human Resources. Mr Gilbert CHEUNG was recruited through search firm. Based on the record of the HKTB, Ms CHAN and Mr CHEUNG were not referred by HKTB staff.

(c) We attach the correspondences between the former Chairman of the HKTB and the Government as well as a Board Meeting Minutes relating to the recruitment of the former Executive Director, which the HKTB has earlier provided to the PAC. Apart from these documents, the HKTB has no record in respect of the process for the recruitment of the former ED or the number of applications referred by search firm.

(d) The recruitment options for the post of Deputy Executive Director had been discussed in the Staff & Finance Committee meeting held on 3 September 2002 and it was agreed to appoint Mrs Grace LEE, the then Director, Corporate Support as the Deputy Executive Director by re-titling and expanding her position without the need to advertise the position of the Deputy Executive Director. The Staff & Finance Committee's proposal was subsequently approved by the Board on 5 September 2002 and was eventually approved by the Government on 4 February 2003. The pertinent minutes of the Staff & Finance Committee Meeting held on 3 September 2002 and the Board Meeting held on 5 September 2002 as well as the correspondences between the Chairman of the HKTB and the Government are attached.

(e) The background of introducing the variable pay mechanism in the HKTB has thoroughly been explained to the PAC in our email sent by Mrs Daisy Lam to Ms Miranda Hon of the Public Accounts Committee on 12 December 2007. As mentioned in the said email, the incentive award (i.e. variable payment) was applicable to Mrs Grace LEE (former Deputy Executive Director (DED) as from January 2003 in accordance with her employment contract signed by the former Executive Director (ED) and there was no any procedure laid-down by the Board for the former ED to seek approval from the Board or the Staff and Finance Committee to the former ED's assessment of the former DED's performance as well as decision on granting of variable payment to her. The former ED had exercised the contractual obligation on behalf of the HKTB to assess the former DED's performance and approved payment of the incentive award for her accordingly.

(f) (i) The secretary (Ms Rita Wong) replied that she cannot recall whether and what comments Mrs Grace Lee had written down on the form. She was only instructed by Mrs Grace Lee to return the form to Miss Cynthia Leung.

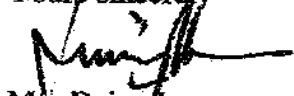
(f) (ii) Ms Sandy Lau (secretary of Miss Cynthia Leung) and Ms Rita Wong (secretary of the former DED, Mrs Grace Lee) replied that they did not maintain any office internal mail log books for recording incoming and outgoing documents/ correspondence for the Corporate Communications and Public Relations Division and the former DED respectively. Actually, we would like to advise that HKTB does not have an office internal mail log book system currently in place.

The above may include personal data and we appreciate the same not be included in the appendix of the PAC report and identities of individuals mentioned in those documents or information be masked.

We understand that the PAC will copy our response to relevant parties attending the hearing. For those who are unable to attend the hearing, the PAC will provide copy to them on the same day by mail.

Thank you for your kind attention to our request.

Yours sincerely



Mrs Daisy Lam

Deputy Executive Director

Enc.

Cc Secretary for Commerce and Economic Development (without enc)  
Commissioner for Tourism (without enc)  
Secretary for Financial Services and the Treasury (without enc)  
Director of Audit (without enc)  
Hon Mrs Selina Chow (without enc)  
Ms Clara Chong (without enc)  
Mrs Grace Lee (without enc)

*\*Note by Clerk, PAC: All the enclosures not attached.*