

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

WITNESS STATEMENT OF MR. JAMES E. THOMPSON

I, James E. Thompson, have been a member of the Advisory Committee on Post-service Employment of Civil Servants (ACPE) from July 14, 2003 to present. In preparing this witness statement, I set out the questions raised by the Select Committee and then provide my answers to the best of my knowledge.

Q1 (a) Role and Duties in the Vetting and Consideration of Applications for Post-Service Work from Directorate Civil Servants

- (a) To advise the Government on the principles and the criteria to be adopted in formulating policy and arrangements to control post-service employment.
- (b) To consider and advise on all applications to take up post-service employment from directorate officers; and
- (c) To consider and advise on other applications which may be referred by the Secretary for the Civil Service.

My role as a member of the ACPE is to receive, read, evaluate and submit my recommendation to the CSB based on the facts presented and the rules and guidelines applicable to retiring civil servants. I use my best judgement in each case and promptly submit the application back to the CSB with my recommendation.

Q1 (b) The procedure for considering applications for post-service work from directorate civil servants by ACPE

To the best of my knowledge all members of the ACPE followed the same procedure in considering applications for Post-Service Work from Directorate Civil Servants.

Speaking for myself, each application arrives by courier at my office from the Civil Service Bureau. Each application basically follows the same format providing details of the applicant's previous roles with Government and their dates of final leave and retirement. The applications would also provide recommendations of various government bodies that had an interest in each application as well as details relating to the nature of the role for which the applicant was seeking approval.

I read each application thoroughly and take into consideration the role the applicant is applying for as well as the recommendations provided by the Permanent Secretaries, the CSB and the Chairman.

Ultimately, I draw my own conclusion and make my recommendation based on the facts presented and using my best judgment.

While the vast majority of applications were considered by the ACPE members individually, there were occasions when it was deemed necessary by the Chairman to call a meeting to discuss an application.

Q1 (c) Understanding of : (i) the circumstances under which a member of ACPE is required to declare interest in relation to an application for post-service work from a directorate civil servant

My understanding of the factors under which a member of the ACPE is required to declare interest are clearly laid out and they are as follows

If a member (including the chairman) has any direct personal or pecuniary interest or if he/she is acquainted with the individuals in any matter or applications under consideration by the Advisory Committee, he/she must, as soon as practicable after he/she has become aware of it, disclose to the chairman (or the Advisory Committee) prior to the discussion of the item.

Understanding of : (ii) the factors to be taken into account in the consideration of application for post-service work from a directorate civil servant

These are the key factors I take into account when considering an application:

- (a) whether the applicant is subject to the new arrangements governing post-service outside work as set out in Civil Service Bureau Circular No. 10/2205 or the old arrangements;
- (b) whether the applicant was involved in the formulation of any policy or decisions, the effects of which directly or specifically benefited or could directly or specifically benefit his/her own business or prospective employer;
- (c) whether the applicant or his/her prospective employer might gain unfair advantage over competitors because of the applicant's access to sensitive information while in government services;
- (d) whether the applicant, while in government service, had been involved in any contractual or legal dealings to which his/her prospective employer was a party;
- (e) whether the proposed work would have any connection with the assignments/projects and/or regulatory/enforcement duties in which the applicant had been involved while in government services;
- (f) whether the applicant's taking up of the proposed work would give rise to public suspicion of conflict of interest or other impropriety; and
- (g) whether any aspects of the proposed work would cause embarrassment to the Government or bring disgrace to the civil service.

Q2 Factors I had taken into account in considering Mr. Leung's application

I thoroughly read the application and all documents attached to it. I considered his service to the Hong Kong Government for a number of years and the fact that he had risen to a senior position. I also considered the statements provided by the Permanent Secretaries of various Government departments as well as that of the Civil Service Bureau. I considered the fact that the application called for him to work outside of Hong Kong as well as the fact that he would not be dealing with projects related to Hong Kong.

I concluded that the application would not result in any conflict of interest or negative public perception if the application was approved.

I also considered that he had the basic right to pursue further employment provided he met the necessary criteria required of retired civil servants.

Q3 Reason for recommending approval of Mr. Leung's application

I considered the statement of the Works Branch of the Development Bureau in which it was stated that approval of this application "may have a public perception issue". The word "may" did not strike me as definitive but simply a possibility. I weighed this statement against the more definitive statements of the other Permanent Secretaries provided in the application including that of the Civil Service Bureau and I concluded that, based on the information provided to me, the approval of the application of Leung Chin-man was justified especially in light of the further restrictions that were included with such approval.

I could not conclude that one non-definitive supposition when weighed against several other definitive approvals would be justification for denial of this application.

Q4 View on whether Mr. Leung's taking up of the appointment with NWCL would constitute or give rise to problems of conflict of interest

Based on the information available to me in the application dated 2 July 2008 I felt the application to join NWCL was justified. I was not aware of the issues related to any previous dealings Leung Chin-man had with the New World organization other than what was disclosed in the application itself.

In approving the application I agreed that four additional work restrictions should be imposed on the applicant, namely;

- (a) He should not involve himself in any business of New World China Land Limited that is connected with Hong Kong.
- (b) He should not use or disclose any classified or sensitive information acquired while he was in government service in the course of his employment with New World china Land Limited;
- (c) He should not represent New World China Land Limited in any discussion with the Government; and
- (d) For avoidance of doubt, he should confine his proposed appointment to New World China Land Limited.

Due to the fact that the applicant would not be employed by a company operating in Hong Kong and he would not be physically present in Hong Kong in the pursuit of his duties I saw no reason to feel that his employment with NWCL would constitute or give rise to a conflict of interest.

Q5 The personal relationship between myself and Mr. Leung, and whether I have made any declaration of interest on Mr. Leung's application

I do not know Leung Chin-man and have no relationship with him whatsoever. As a result I have made no declaration of interest relative to his application.