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

Further information provided by Mr. Thomas CHAN Chun-yuen In response to the letter of 27 April 2009 from the Clerk of Select Committee

1. The respective dates when you considered Mr. LEUNG Chin-man's application for taking up the post-service work with New World China Land Limited and which you first came across documents relating to the sales arrangement of the flats in the Harbour Place (previously known as the Hunghom Peninsula).

I processed Mr. LEUNG Chin-man's application for taking up the post-service work with New World China Land Limited on two occasions on 5 June 2008 and 10 June 2008.

Generally speaking, sales arrangement of uncompleted first-hand flats is monitored by my staff from the Housing Branch of the Transport and Housing Bureau, who would draw my attention to any major anomalies observed. When the flats in Harbour Place were initially offered for sale in December 2007, I received no such reports of anomalies and hence did not see any documents about its sales arrangement. In 2008, Transport and Housing Bureau was discussing with the Real Estate Developers Association of Hong Kong (REDA) on a price list template for enhancing transparency of information provided by developers during sales of uncompleted first-hand residential properties. On 6 May 2008, my staff noted that the latest price list of Harbour Place was similar to the draft price list template being discussed with REDA.

They made this observation in an email enclosing the aforesaid price list of Harbour Place and copied the email to me. This was the only document on sales arrangement of the flats in Harbour Place that I came across. It should be noted that Harbour Place was mentioned only as a private property development rather than a Private Sector Participation Scheme (PSPS) project, and I did not have any discussion with my colleagues on that occasion. Subsequently in January 2009 when there were press reports that some purchasers of Harbour Place might forfeit their deposits in view of the market downturn, I briefly discussed with my colleagues at an internal meeting and asked them to monitor the sales arrangements and sales materials when the returned and/or remaining flats were put to the market. Again, Harbour Place was mentioned only as a private property development.

2. At the hearing of the Select Committee held on 23 April 2009, you mentioned that there were over 2,000 press reports relating to the Hunghom Peninsula development among which some less than 100 were related to Mr. LEUNG Chin-man's involvement in the matter. Please provide the source of the information, the period of which the press reports covered, and the respective numbers of the press reports relating to (a) the Hunghom Peninsula development, and (b) the involvement of Mr. LEUNG Chin-man in the matter.

As I mentioned at the hearing of the Select Committee held on 23 April 2009, I learned about the numbers from an earlier hearing of the Select Committee. Upon checking, I note that the Deputy Chairman Hon. LEE Wing-tat said at the Select Committee hearing held on 21 March 2009 that in 2004, there were a total of 2,655 press reports

on Hunghom Peninsula, of which 103 referred to Mr. LEUNG Chin-man's involvement in the matter.

3. According to the evidence you gave at the hearing on 23 April 2009, when you took up the post of the Permanent Secretary for Housing, Planning and Lands (Housing)/Director of Housing in January 2006, you were provided with an information folder prepared by the Personal Assistant to Mr. LEUNG Chin-man which contained information and briefing notes on the Hunghom Peninsula development. Please provide the part of the aforementioned information folder relating to the Hunghom Peninsula development.

As far as I can recall, the information folder contained some background information about the Housing Authority and the Housing Department, as well as topical issues on housing matters when I took up the post of Permanent Secretary for Housing, Planning and Lands (Housing) / Director of Housing in January 2006. The information in the folder became obsolete after I had settled down and the folder was destroyed after a short period of time.