

HD Opposition demands corruption probe into Hong Kong leader CY Leung

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Opposition lawmakers in Hong Kong are demanding that the territory's anti-corruption agency investigate CY Leung, the chief executive, following revelations that he received £4m in undisclosed payments from an Australian company.

Albert Ho, a prominent member of the umbrella pan-democrat opposition camp, said lawmakers would ask the Independent Commission Against Corruption to probe Mr Leung and would also consider launching impeachment proceedings.

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"It is simply improper for him to carry on to allow himself to have a continuing contractual obligation to a commercial enterprise when he is performing his duty as chief executive. This is simply impropriety," said Mr Ho. "The ICAC is duty-bound to look into the matter and commence an investigation."

Mr Leung has faced criticism over the past two weeks as tens - and possibly hundreds - of thousands of pro-democracy protesters have taken to the streets to oppose a controversial Chinese plan for electoral reform.

But the chief executive faced a new challenge on Wednesday when Australian media reported that he had been paid £4m after assuming office in connection with the sale of DTZ, a property company of which he had been a director.

Through his spokesman, Mr Leung has denied any impropriety and dismissed suggestions that he was under any requirement to disclose the payments. UGL, the Australian engineering company that bought DTZ, said the cash was part of a non-compete deal to ensure Mr Leung did not compete with his old company.

Mr Leung signed the contract in 2011 after announcing his intention to run for chief executive. UGL said it made no provision for what would happen if he became chief executive because media reports suggested he had no chance. But Mr Leung ended up getting the job after frontrunner Henry Tang dropped out following the revelation that he had constructed an illegal wine cellar in his basement.

Mr Ho disputed the assertion that Mr Leung was not obliged to report the deal, saying he had failed to declare an asset that "would make people unable to exercise supervision" - in other words that without knowledge of the payment it would be impossible for anyone to judge whether there was a conflict of interest. The contract said Mr Leung was partly being paid to serve as an "adviser from time to time". Both Mr Leung and UGL said the chief executive had not provided any services for the company since taking office.

"Declaration of interest itself is not sufficient to save him from doing something that is improper," said Mr Ho. "Any person facing such a situation if he has a sense of decency should have resigned."

Aside from calls from pro-democracy demonstrators to step down, Mr Leung has also been criticised by Jimmy Lai, the media tycoon who is being investigated by the ICAC in connection with a bribery investigation related to donations he made to lawmakers that they did not disclose.

Mr Lai has accused Mr Leung, who is viewed as being pro-Beijing, of persecuting him because his Apple Daily newspaper is a harsh critic of the Communist party.

"I just don't see how he can get out of it this time with lies," Mr Lai told the Financial Times on Thursday.

The chief executive also faces another problem as the leaders of the so-called "Occupy" pro-democracy movement said they were preparing to start a "new wave of civil disobedience". While the number of protesters has dwindled in recent days, several main roads in Hong Kong remain closed to traffic.

The Hong Kong Federation of Students is expected to hold talks with the government on Friday but its leaders have expressed dissatisfaction with the government's approach to the dialogue even before it commences.

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