Examination of Estimates of Expenditure 2018-19

Reply Serial No.

CONTROLLING OFFICER'S REPLY

THB(H)016

(Question Serial No. 2355)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

<u>Programme</u>: (-) Not Specified

<u>Controlling Officer</u>: Permanent Secretary for Transport and Housing (Housing)

(Stanley YING)

<u>Director of Bureau</u>: Secretary for Transport and Housing

Ouestion:

According to the Government's guidelines for tendering of outsourced services revised in 2016, if the procured service relies heavily on the deployment of non-skilled workers, and a marking scheme for tender assessment is adopted, the procuring department, when assessing the tenders, should include in the assessment criteria the evaluation of tenderers' proposed wage rates and working hours for non-skilled workers. In this regard, will the Department inform this Committee of the following:

- 1. in respect of the assessment criteria under the current marking scheme, the details of "other criteria", and the respective weightings for wage rates, working hours and other criteria;
- 2. since the revised guidelines came into effect, the number and value of outsourced service contracts that rely heavily on the deployment of non-skilled workers awarded by the Department; and the number of outsourced non-skilled workers involved each year;
- 3. the adjustment made by the Department to the assessment criteria on wage rates and working hours for outsourced service contracts that rely heavily on the deployment of non-skilled workers in the light of the revised guidelines; if relevant information is not available, the reasons for it;
- 4. in respect of the outsourced service contracts that rely heavily on the deployment of non-skilled workers, whether there have been any rises in the average wage rates for workers since the revised guidelines came into effect; if yes, the percentage of increase in wage rates and the number of contracts involved; if relevant information is not available, the reasons for it;
- 5. the measures adopted by the Department for evaluating the effectiveness of the revised tendering guidelines;

- 6. the number of cases in which government outsourced service providers were found breaching the service contracts, the Employment Ordinance or the Occupational Safety or Health Ordinance during inspections by the Department, and the number of complaints by outsourced workers received each year;
- 7. the details of the follow-up actions on the above non-compliant cases and/or complaints, and the number and details of cases in which outsourced service providers were penalised for non-compliance and/or substantiated complaints against them?

Asked by: Hon LEUNG Yiu-chung (Member Question No. (LegCo use): 39)

Reply:

All along, the employment rights of non-skilled workers employed by government service contractors is a matter of great concern to the Government. The inter-bureaux/ departmental working group set up by the Secretary for Labour and Welfare is exploring options to improve the government outsourcing system with a view to enhancing the protection of the reasonable employment terms and conditions as well as labour benefits of these non-skilled employees. Apart from the Labour and Welfare Bureau and Labour Department, members of the working group also include Financial Services and Treasury Bureau, Food and Environmental Hygiene Department, Leisure and Cultural Services Department, Housing Department (HD) and Government Property Agency. The working group looks into the marking scheme for evaluating tenders with the aim of enabling the non-skilled workers employed under Government outsourced contracts to get more reasonable remuneration while meeting the requirement of enhancement of service quality. The working group also examines the contents of the "Standard Employment Contract" and the duration of the Government service contracts to reinforce protection of the labour rights (e.g. severance payment) to which all eligible workers are entitled.

HD has 1 contract under Head 62 for directly engaging outsourced cleansing service provider responsible for cleaning office premises and toilets. The working time is twice per day for 5 days per week (around 1 hour), 2 to 3 persons each time. Since the contract amount of this outsourced cleaning service contract does not reach the threshold of procurement by tendering procedures, the Government's guidelines for tendering of outsourced services are not applicable. If necessary, HD will also take into consideration the relevant principles in the guidelines when awarding the contract.