

(2) whether it knows the number of non-skilled workers engaged by the contractors to fulfil their contracts mentioned in (1) (set out in a table of the same format as Table 1);

(3) whether it knows, among the contracts mentioned in (1)(a), the number of those to which the transitional arrangements are not applicable, and set out in Table 2 a breakdown by the financial year into which the expiry dates of the relevant contracts fell/will fall (i.e. (a) 2019-2020, (b) 2020-2021, (c) 2021-2022, and (d) 2022-2023 or after) and the government departments awarding the contracts;

Table 2

Financial year	Cleansing service					Security service					Total
	(i)	(ii)	(iii)	(iv)	Sub-total	(i)	(ii)	(iii)	(iv)	Sub-total	
(a)											
(b)											
(c)											
(d)											
Total											

(4) whether it knows the number of non-skilled workers engaged by the contractors to fulfil their contracts mentioned in (3) (set out in a table of the same format as Table 2);

(5) whether it knows the respective to-date numbers of cleansing and security service workers who were granted benefits relating to the new measures under the transitional arrangements (set out in Table 3 by the aforesaid four government departments);

Table 3

Measures	Cleansing service					Security service					Total
	(i)	(ii)	(iii)	(iv)	Sub-total	(i)	(ii)	(iii)	(iv)	Sub-total	
(A)											
(B)											
(C)											

(6) of the respective total amounts of top-up payment made under the transitional arrangements to the contractors by the aforesaid four government departments in respect of each of the new measures (set out in a table of the same format as Table 3); and

(7) whether it has reviewed the effectiveness of the implementation of the new measures and the transitional arrangements in improving the employment terms and conditions as well as labour benefits of non-skilled workers; if so, of the criteria adopted for and the outcome of the review; if not, whether it will conduct such a review, as well as the relevant timetable?

Reply:

President,

We have consulted the Food and Environmental Hygiene Department (FEHD), Leisure and Cultural Services Department (LCSD), Government Property Agency (GPA), and the Housing Department (HD) (being the executive arm of the Housing Authority (HA)). The reply to each part of the question is as follows:

(1) and (2) Information on the number of contracts that rely heavily on the deployment of non-skilled workers (service contracts) between the four major procuring departments and service contractors that were still in force on December 31, 2019, as well as the number of non-skilled workers involved, is set out at Annex 1.

(3) and (4) For the contracts covered in Part (1) and (2) of the reply, the number of service contracts awarded by the four major procuring departments in or before the 2018-19 financial year that are not covered by the transitional arrangements, as well as the number of non-skilled workers involved, are at Annex 2.

(5) and (6) Under the transitional arrangements, the number of non-skilled workers who had received payments from FEHD and LCSD in respect of the benefits of contractual gratuity, statutory holiday pay and additional remuneration for the work performed when Tropical Cyclone Warning Signal No.8 or above is in force, as well as the amount of top-up payments to the service contractors, are at Annex 3.

HA will make reference to the Government's practice and vary the relevant service contracts during the transitional period to provide top-up payments to service contractors in order to benefit the non-skilled workers involved. Since it concerns a number of service contracts involving divested estates with HA as the Deed of Mutual Covenant Manager, consent of other owners (such as owners of divested shopping centres) in divested estates has to be obtained before proceeding with contract negotiation, signing of supplemental agreements with service contractors and incorporating the new measures into the contracts. Therefore, HA has not yet entered into any agreement with service contractors. HD is now proceeding with the amendments for HA's service contracts in full steam. As a result, HD has not provided any top-up payment under the transitional arrangements as at December 31, 2019.

Relevant service contracts under GPA were all awarded before October 10, 2018. Hence, the transitional arrangements do not apply to these service

contracts.

(7) The new measures are a major step forward in according better protection to non-skilled workers engaged by service contractors. The Government will keep in view the implementation of the transitional arrangements and the new measures, and will consider areas for further improvement on an ongoing basis.

While the new measures, implemented since April 2019, have taken effect for less than one year, initial statistics reveal that the wage level of non-skilled workers engaged under the service contracts has increased under the new measures.