

LCQ7: Labour protection for non-skilled workers under government service contracts

Following is a question by the Hon Lam Chun-sing and a written reply by the Secretary for Financial Services and the Treasury, Mr Christopher Hui, in the Legislative Council today (November 13):

Question:

To enhance the labour protection for non-skilled workers employed by contractors of government outsourced service contracts (Contracts), the authorities have implemented various new improvement measures since May last year. In this connection, will the Government inform this Council:

(1) of the respective numbers and total values of the Contracts of the four major procuring departments of the Government (i.e. the Leisure and Cultural Services Department (LCSD), Housing Department (HD), Food and Environmental Hygiene Department (FEHD) and Government Property Agency (GPA)), the respective numbers of non-skilled workers involved, the respective numbers of Contracts awarded to the lowest bidders and their percentages in the total number of Contracts in each of the past three years and this year to date, with a tabulated breakdown by type of outsourced service (i.e. (i) cleansing service, (ii) security service and (iii) other services);

(2) of the respective numbers of Contract non-skilled workers at (a) LCSD, (b) HD, (c) FEHD and (d) GPA as at the end of October this year, and set out in Table 1 a breakdown by range of hourly wage as committed in the Contracts and type of service (i.e. (i) cleansing service, (ii) security service and (iii) other services); the (A) average daily number of working hours and (B) maximum number of working hours a day for non-skilled workers under the aforesaid Contracts (set out in Table 2);

Table 1

Range of hourly wage	(i)					(ii)					(iii)					All types				
	(a)	(d)	Sub total	%	(a)	(d)	Sub total	%	(a)	(d)	Sub total	%	(a)	(d)	Sub total	%
\$40.0																				
\$40.1 to \$41.9																				
.....																				
\$64 to \$65.9																				

\$66.0 or above																			
Total																			

Table 2

Working hours	(i)				(ii)				(iii)			
	(a)	(b)	(c)	(d)	(a)	(b)	(c)	(d)	(a)	(b)	(c)	(d)
(A)												
(B)												

(3) whether there were heat stroke-related work injury and fatal cases involving Contract non-skilled workers recorded in each of the past five years and this year to date; if so, of the details, including the date and venue of the incident, as well as the names of the contractors of Contracts and procuring government departments involved in the cases;

(4) whether the aforesaid four government departments had respectively received complaints in each of the past five years and this year to date concerning alleged breaches of the provisions of Standard Employment Contracts (SECs) or the Employment Ordinance (Cap. 57) by contractors of Contracts; if so, of the details, including the number of complaints (set out by nature of the cases);

(5) of the respective numbers of on-site inspections, spot checks, regular meetings or interviews with non-skilled workers by the aforesaid four government departments to ensure that contractors of Contracts would comply with the terms of Contracts with non-skilled workers in each of the past five years and this year to date, as well as the respective numbers of work meetings or interviews with contractors of Contracts, and whether there were cases of alleged breaches of the provisions of SECs or Cap. 57 by contractors of Contracts from the aforesaid inspections, checks, meetings or interviews; if so, of the details, including the number of cases (set out by nature);

(6) whether there were cases in each of the past five years and this year to date in which punishment had been imposed on the contractors of Contracts for their failure to fulfil the specified contractual obligations (including failure to pay contractual gratuities to non-skilled workers and supervisory staff whose employment contracts were terminated after commencement for less than one year under certain applicable conditions, and failure to act in accordance with the Heat Stroke Prevention Work Plan, etc.); if so, of the following information of such cases: (i) the names of the contractors of Contracts concerned, (ii) the date of contravention, (iii) details of the contravention, and (iv) the form of punishment (including the number of verbal warnings, written warnings and default notices issued, the total amount of service fees deducted, the number of instances where demerit points were given, and whether the Contracts with the contractors of Contracts

concerned had been terminated, etc.), together with a tabulated breakdown;

(7) given that under the "demerit point system" of the Government's procurement system, three demerit points accrued by contractors of Contracts over a rolling period of 36 months would debar them from bidding non-skilled worker Contracts for a period of five years, whether, in each of the past five years and this year to date, there were contractors of Contracts who were barred from bidding so on the ground that their accumulated demerit points had exceeded the limit; if so, of the details, including the number and names of the contractors;

(8) whether the authorities have reviewed the effectiveness of the improvement measures implemented since May last year; if so, of the details; if not, the reasons for that; and

(9) whether it will look into boosting the chances of success in tendering in respect of contractors who are willing to enhance the welfare packages of Contract non-skilled workers (including the commitment to making voluntary Mandatory Provident Fund contributions for Contract non-skilled workers aged 65 or above or providing flexible working arrangements, etc.) so as to improve the well-being of non-skilled workers?

Reply:

President,

In consultation with four major procuring departments (i.e. the Leisure and Cultural Services Department (LCSD), the Housing Department (HD), the Food and Environmental Hygiene Department (FEHD) and the Government Property Agency (GPA)), our consolidated reply is as follows:

(1) As regards the service contracts involving non-skilled workers awarded by the four major procuring departments through tendering from 2021-22 to 2024-25 financial year, the number and total value of contracts, the numbers of non-skilled workers involved and contracts awarded to the lowest-priced bidders and other information are set out at Annex 1.

(2) Committed hourly wages of existing service contracts awarded by the four major procuring departments through tendering are set out at Annex 2. The information on average maximum number of working hours in a day is set out at Annex 3. The four major procuring departments do not maintain figures of the average daily working hours of the staff concerned.

(3) From 2019-20 financial year to October 1, 2024, FEHD recorded one heat stroke-related work injury case involving a non-skilled worker reported by contractor. The case was referred to the Labour Department for follow-up actions. The four major procuring departments did not record any heat stroke-related fatal case involving non-skilled workers.

(4) Complaints received by the four major procuring departments about the alleged breaches of the provisions of Standard Employment Contracts or the

Employment Ordinance by contractors from 2019-20 to 2024-25 financial year are set out at Annex 4.

(5) Monitoring measures taken by the four major procuring departments on outsourced non-skilled worker service contracts from 2019-20 to 2024-25 financial year are set out at Annex 5.

(6) Cases where contractors of the four major procuring departments were punished for their failure to fulfill the specified contractual obligations from 2019-20 to 2024-25 financial year are set out at Annex 6.

(7) From 2019-20 financial year to October 1, 2024, government departments issued a total of 44 demerit points to 18 contractors under the Demerit Point System. Amongst them, four contractors have accrued three demerit points over a rolling period of 36 months and were debarred from bidding for non-skilled worker contracts for five years.

(8) The Government has implemented a series of improvement measures since May 2023, including requiring tenderers to submit a "Heat Stroke Prevention Work Plan" when bidding for relevant contracts to safeguard occupational safety and health of workers, enhancing eligibility criteria for gratuities to improve staff welfare and introducing a standardised monitoring framework for government departments to strengthen the monitoring of non-skilled worker contracts. All of the above measures have been adopted by the four major procuring departments in their tendering of 217 non-skilled worker service contracts.

(9) The Government has enhanced the technical assessment related to "environmental protection, social responsibility and governance" in May 2023 so that contractors with outstanding performance in this regard will stand a higher chance of winning bids. This is conducive to encouraging contractors to provide better staff welfare for their non-skilled workers beyond contract requirements.