

**Supplementary Information on Voluntary Retirement Scheme
for LegCo Panel on Public Service**

At the meeting of the LegCo Panel on Public Service on 20 November, Members requested for the following information –

- (a) details of the number of Voluntary Retirement (VR) posts which do not require replacement, which will be replaced by alternative mode of service delivery and which will be filled by in-service appointment, redeployment and promotion;
- (b) the number of remaining staff who would be provided with training;
- (c) breakdown of the VR applications received by the Hospital Authority by grades; and
- (d) the measures to monitor the implementation of outsourcing plans.

2. The information requested are set out below –

- (a) (i) About 2 000 posts vacated by VR-takers have already become surplus (including about 400 Clerical Officer posts, 200 Clerical Assistant posts, 200 Workman posts, 110 Artisan posts and 70 Typist posts) or obsolescent (including 60 Ward Attendant posts, 55 Midwife posts and 20 Cook posts) and do not require replacement;
- (ii) About 2 300 posts will be replaced through redeployment and posting (1 500, mostly from Clerical Officer, Clerical Assistant, Personal Secretary, Workman, Artisan and Property Attendant), promotion (600, mostly from Clerical Officer) and in-service appointment (200, mostly from Clerical Officer and Confidential Assistant);
- (iii) About 5 000 posts will be replaced by more effective or alternative modes of service delivery, of which about 1 000 posts will require

employment of non-civil-service staff to take up the work for a short period of time of not more than three years. Departments which have relatively large number of VR posts which will be replaced by outsourcing service include Food and Environmental Hygiene Department (FEHD) (which intends to contract out its street cleansing, waste collection, mechanical gully cleansing, conservancy and cemeteries and crematories service involving about 2 000 posts of Workman, Special Driver, Motor Driver and Ganger), Leisure and Cultural Services Department (LCSD) (which intends to contract out horticulture maintenance and cleansing in parks and playgrounds, supporting service of indoor games halls and plant nursery production involving about 750 posts of Workman and Artisan), Hong Kong Police Force (which intends to contract out its cleansing, translation and catering services involving about 300 posts of Workman, Police Translation and Cook) and Water Supplies Department (which intends to contract out its general engineering work in mechanical and electrical workshop and other services involving about 160 posts of Artisan and Workman); and

- (iv) About 1 200 applications in FEHD which cannot be approved at this stage will require further study on the appropriate means for replacement.

The deletion of the 2 000 posts which have become surplus or obsolescent will not have any impact on staff as the service is no longer required. The replacement of 5 000 posts by other means of service delivery such as outsourcing will have limited impact on staff. Some staff may have to be reposted or redeployed because of the outsourcing exercise. Necessary training and assistance will be provided to the staff concerned to enable them to function properly in the new posts and to help them handle changes positively. Besides, training courses on contract management will be organised to enable staff to supervise and work with contractors more effectively. Where operationally justified, lower rank posts may be deleted to retain promotion posts of the departed VR-takers. The better promotion prospect will certainly improve staff morale.

- (b) In our 3-year training and development programme for civil servants, one of our focus areas is training for affected staff in the VR grade. While we

are still working out details of the programme with departments, the initial estimate is that training will be provided to about 20 000 staff of VR grades who choose to remain in the service.

- (c) The breakdown of VR-takers in Hospital Authority by grade is at Appendix 1.
- (d) the following steps will be taken to ensure the quality of the services provided by contractors –
 - (i) specifying in the tender document and/or the contract the requirements in service quality and output quantity, the level of experience required of the contractor, the number of employees required to deliver the service as well as the qualifications, experience and skills required of these employees;
 - (ii) maintaining an approved list of contractors whose standard of services has been carefully vetted, and taking into account the past performance of contractors in the evaluation of bids;
 - (iii) suspending/terminating contracts and blacklisting the contractors in cases of unsatisfactory performance;
 - (iv) strengthening training on contract management by holding seminars, workshops and tailor-made courses;
 - (v) monitoring performance of contractors through supervision by department staff, regular and surprise checks, collection of feedback from users and regular meetings with contractors, etc; and
 - (vi) making payments to contractors by phases, and ensuring that contractors receive payment only if they have completed certain parts of the project to an acceptable level.

As regards the employment terms specified in the contracts, we will ensure that the contractors comply with the Employment Ordinance and other relevant legislative provisions in the employment of their staff.

This prescribes standards for various employment benefits and provides a framework under which basic employment rights and benefits of employees are protected. There is already in place an effective system to ensure that channels are available to employees for pursuing their employment claims and that their interests are adequately protected. The Labour Department enforces the Employment Ordinance and conducts inspections of workplaces to ensure that the statutory conditions of employment are complied with. Whenever a complaint against breach of the Employment Ordinance is received or a possible offence is detected, the department concerned will thoroughly investigate into the case with a view to prosecution so as to deter employers from infringing the employment rights of their employees.

We do not consider it appropriate to stipulate minimum wage requirement in the tender document. The wages of workers engaged for projects and services contracted out by Government is a matter for the successful contractor to work out with his employees. This is in line with the general policy that there is no statutory minimum wage in Hong Kong.

The major outsourcing plans of departments involving over 50 posts vacated by VR-takers are set out at Appendix 2.

VR-takers in Hospital Authority

<p style="text-align: center;"><i>No. of posts where replacement not required (current service no longer needed)</i></p>	<p style="text-align: center;"><i>No. of posts where reviews of current mode of service delivery are contemplated</i></p>
<p>Ward Attendant : 43</p> <p>Midwife : 20</p> <p>Cook : 19</p> <p>Workman : 9</p> <p>Darkroom Technician : 5</p> <p>Artisan : 4</p> <p>Property Attendant : 4</p> <p>Clerical Officer : 1</p> <p>Foreman : 1</p> <p>Ganger : 1</p> <p>Laboratory Attendant : 1</p>	<p>Ward Attendant : 328</p> <p>Workman : 231</p> <p>Artisan : 33</p> <p>Cook : 30</p> <p>Laboratory Attendant : 28</p> <p>Property Attendant : 26</p> <p>Darkroom Technician : 10</p> <p>Foreman : 7</p> <p>Ganger : 3</p> <p>Senior Artisan : 3</p> <p>Photographer : 1</p>
<p><i>Sub-Total</i> : 108</p>	<p><i>Sub-Total</i> : 700</p>
<p>Total = 808 posts</p>	

Appendix 2

Major Outsourcing Plans Involving over 50 VR Posts

Department	Items	Tentative Implementation Date	VR Grades involved	Approximate No. of VR Posts Involved
D of Education	1. Contracting out of janitor and clerical services in government primary and secondary schools	2001/02	Clerical Officer Workman Workshop Attendant Clerical Assistant Artisan Calligraphist Office Assistant Typist	130
Food and Environmental Hygiene Department	1. Contracting out of street cleansing services	2001/02	Workman Ganger Special Driver	1500
	2. Contracting out of waste collection service	2001	Workman Special Driver	150
	3. Contracting out of mechanical gully cleansing/mechanical street sweeping	2002	Special Driver Workman Motor Driver	60

Department	Items	Tentative Implementation Date	VR Grades involved	Approximate No. of VR Posts Involved
	4. Contracting out of coffin burial, cleansing, undergrowth cutting and horticultural services for cemeteries	2001/02	Workman Ganger Motor Driver	60
Food and Environmental Hygiene Department (Cont'd)	5. Contracting out of conservancy and malaria vector prevention services	2002	Workman Ganger Motor Driver Special Driver	50
	6. Commercial hiring of vehicles	2001	Motor Driver	50
Leisure and Cultural Services Department	1. Extension of contracting out of park-keeping services in parks & playgrounds	2001	Artisan Workman	120
	2. Extension of contracting out of cleansing services in beaches	2003	Workman	80
	3. Extension of contracting out of supporting services in indoor games halls	2001	Artisan Workman	200
	4. Contracting out of Groundsman services at Indoor Recreation Centres	2001	Artisan Workman	90
	5. Contracting out dressing room attendant services at swimming pools	2001	Workman	100
	6. Contracting out of horticultural maintenance services	2001	Workman	70

Department	Items	Tentative Implementation Date	VR Grades involved	Approximate No. of VR Posts Involved
Leisure and Cultural Services Department (Cont'd)	7. Extension of contracting out of cleansing services in sports ground, parks and playground	2001	Artisan Workman	90
Hong Kong Police Force	1. Contracting out of cleansing services in 7 Formations	2001/02	Workman	160
	2. Outsourcing of translation services	2002	Police Translator	100
	3. Outsourcing of catering services	Review being conducted	Cook	50
Water Supplies Department	1. Contracting out of general engineering work in mechanical and electrical workshop	2001/02	Artisan Workman Works Supervisor	60