2810 2547
2801 7825

19 April 2001

Clerk to the Panel on Manpower
Legislative Council
3/F, Citibank Tower
Central
Hong Kong
(Attn : Mrs Sharon Tong)

Dear Mrs Tong,

The Finance Bureau and the Education and Manpower Bureau are actively looking into means to improve the arrangements for contracting out Government services in a manner that would not compromise the free market and fair competition principles. We plan to ask departments which are contracting out their low-skill services to require tenderers to set out clearly in the work proposal of their tender submissions the planned number of employees, the wage levels offered, working hours required etc. In tender evaluation, the Government departments concerned would consider, apart from the tender price, whether the conditions of employment offered by tenderers to their prospective employees are reasonable and whether they can provide quality service. We would request departments concerned to develop objective marking schemes to ensure an appropriate balance between the quality of the tender proposal and the tender price.

2. It is also our intention to require all successful tenderers to be bound by the terms and conditions offered in their tender submissions upon award of contract and would make provision that unauthorized departure would constitute a breach of contract. For monitoring purpose, we would require contractors to sign written employment contracts with employees, specifying their wages and other major terms of employment so that employees may fully understand their rights and benefits as well as to facilitate monitoring in future.

3. We are currently consulting related departments on the new arrangements and will announce the details in one to two months' time. In the meantime, the Labour Department and other departments concerned will continue to carry out inspections and take enforcement actions to safeguard the reasonable rights of the employees as provided by the law.

Yours sincerely,

(Mrs Do Pang Wai-yee)
for Secretary for Education and Manpower