

立法會

Legislative Council

LC Paper No. CB(2)1184/18-19

(These minutes have been seen
by the Administration)

Ref : CB2/PL/MP

Panel on Manpower

Minutes of meeting
held on Tuesday, 19 February 2019, at 4:30 pm
in Conference Room 2 of the Legislative Council Complex

Members present : Dr Hon Fernando CHEUNG Chiu-hung (Chairman)
Hon HO Kai-ming (Deputy Chairman)
Hon LEUNG Yiu-chung
Hon Starry LEE Wai-king, SBS, JP
Hon Frankie YICK Chi-ming, SBS, JP
Hon YIU Si-wing, BBS
Dr Hon KWOK Ka-ki
Hon KWOK Wai-keung, JP
Hon POON Siu-ping, BBS, MH
Dr Hon CHIANG Lai-wan, SBS, JP
Hon CHUNG Kwok-pan
Hon Andrew WAN Siu-kin
Hon CHU Hoi-dick
Hon Jimmy NG Wing-ka, JP
Hon SHIU Ka-fai
Hon SHIU Ka-chun
Dr Hon Pierre CHAN
Hon LUK Chung-hung, JP
Hon Jeremy TAM Man-ho
Hon AU Nok-hin
Hon Vincent CHENG Wing-shun, MH

Member absent : Hon WONG Kwok-kin, SBS, JP

Public Officers attending : Item IV

Mr Carlson CHAN Ka-shun, JP
Commissioner for Labour

Mr Charles HUI Pak-kwan, JP
Assistant Commissioner for Labour (Employment Services)

Ms Catherine LAW Sui-fong
Senior Labour Officer (Employment Services) (Policy)
Labour Department

Mr Daniel LEUNG Kwok-keung
Senior Labour Officer (Selective Placement)
Labour Department

Item V

Mr James H. LAU Jr., JP
Secretary for Financial Services and the Treasury

Mr Raistlin LAU Chun, JP
Deputy Secretary for Financial Services and the Treasury
(Treasury) 3

Ms Tracy CHU Lai-fong
Principal Assistant Secretary for Financial Services and
the Treasury (Treasury) (E)

Mrs Claudia TSANG YIM Yuen-wa
Principal Assistant Secretary for Financial Services and
the Treasury (Treasury) (SD)

Miss Mabel LI Po-yi, JP
Deputy Commissioner for Labour (Labour Administration)

Mr Sam SUM Kai-wah
Senior Labour Officer (Labour Inspection)
Labour Department

Mr CHIU Yu-chow
Assistant Director (Grade Management and Development)
Food and Environmental Hygiene Department

Mr Peter POON Ping-yeung
Senior Superintendent (Cleansing & Pest Control)
Food and Environmental Hygiene Department

Mr Rex LAW Chi-wai
Assistant Director (Finance)
Leisure and Cultural Services Department

Mr Wicky CHEUNG Wing-keung
Chief Leisure Manager (Management)
Leisure and Cultural Services Department

Mrs Helen CHEUNG LO Pik-yuk
Chief Manager / Management (HK Island and Islands)
Housing Department

Mr Aaricf MOK Chun-yu
Chief Property Manager (Property Management)
Government Property Agency

Mr Alex CHAN Mun-keung
Senior Property Manager (Property Management)
Contract Administration
Government Property Agency

Attendance : Item V
by invitation

The Federation of Hong Kong & Kowloon Labour Unions

Mr CHU Hon-chung

Hong Kong Catholic Commission for Labour Affairs

Ms LAW Pui-shan
Policy Reserach Officer

Individual

Mr WU Chi-kin

Environmental Contractors Management Association

Mr TAN Chong-wai
President

Hong Kong Pest Management Association

Mr CHOI Ping-yin
President

Civic Party

Mr SIN Ho-fai
District Developer

The Hong Kong Federation of Trade Unions (Labour
Services Centre)

Mr KWAN Shing-kit
Chief Executive

Individual

Miss WONG Nga-man

BU Movement

Ms HUI Wun-wun
Member

Cleaning Services Industry Workers Union

Mr LAW Che-wai
President

Individual

Ms TSE Fung-ying

Hong Kong Buildings Management & Security Workers
General Union

Ms YU Mei-wan
Vice President

Individual

Mr CHUNG Kwai-keung

Individual

Mr WONG Kit-yip

Individual

Mr TO Chun-ho

The Hong Kong Federation of Trade Unions Right &
Benefits Committee

Mr YAU Yiu-shing
Member

The Hong Kong General Union Of Security & Property
Management Industry Employees

Mr CHAN Ting-fung
Committee member of Rights

Hong Kong Women Workers' Association

Miss WU Mei-lin
Executive Director

Cleaning Workers Union

Miss LEUNG Tsz-yan
Organizer

Nepalese Cleaning Workers Concern Group

Miss Rabina Limbu
Organizer

Hong Kong Confederation of Trade Unions

Mr MUNG Siu-tat
Chief Executive

Chamber of Security Industry

Mr HO Kai-man
Chairman

外判清潔工關注組

Mr 禡德皆

Individual

Mr 陳福明

Individual

Miss YEUNG Hoi-yin

天主教香港教區 教區勞工牧民中心—新界

Mr 邱智恆

Individual

Mr HO Ka-on

教區勞工牧民中心—九龍 政府外判清潔關注組

Ms 李雪娥

港島屋邨清潔工關注組

Ms YEUNG Kuen-oi

教區勞工牧民中心—九龍

Mr HO Tin-lok

天主教勞工牧民中心—港島

Ms YEUNG Yuen-ki

港島東清潔工關注聯盟

Mr Louis LAM Wai-ho

Living Wage Alliance

Ms WU Sui-shan
Project Coordinator

Government Frontline Staff General Union

Ms CHOW Ling-wah
Committee Member

Hong Kong Food & Environmental Hygiene Department
Staff Rights Union

Ms LI Mei-siu
Vice Chairperson

Clerk in attendance : Miss Betty MA
Chief Council Secretary (2) 1

Staff in attendance : Ms Rita LAI
Senior Council Secretary (2) 1

Ms Kiwi NG
Legislative Assistant (2) 1

Miss Lulu YEUNG
Clerical Assistant (2) 1

Action

I. Confirmation of minutes of previous meeting
(LC Paper No. CB(2)786/18-19)

The minutes of the meeting held on 18 December 2018 were confirmed.

Action

II. Information paper issued since the last meeting
(LC Paper No. CB(2)642/18-19(01))

2. Members noted that a letter dated 14 January 2019 from the Acting Secretary for Transport and Housing regarding safety of non-franchised bus service had been issued since the last meeting.

III. Date of next meeting and items for discussion
(LC Paper Nos. CB(2)788/18-19(01) and (02))

Regular meeting in March 2019

3. Members agreed that the following items proposed by the Administration be discussed at the next regular meeting on 19 March 2019:

- (a) Raising penalties of occupational safety and health legislation; and
- (b) A proposal to create a Chief Labour Officer post to lead the various new enhancement measures connected with statutory maternity leave.

Items proposed for discussion at future meetings

4. Dr CHIANG Lai-wan suggested that the Panel should discuss the attainment of recognized qualifications under the Hong Kong Qualifications Framework ("HKQF") in career development and advancement in various trades and industries. The Chairman advised that the Administration would be requested to provide an update on HKQF.

5. Dr CHIANG Lai-wan further suggested the Panel should discuss manpower requirement projection for elderly care services in the 2018-2019 legislative session. The Chairman advised that the subject matters were already included in the Panel's list of outstanding items for discussion. He would liaise with the Administration in respect of the timing for discussion.

Action

IV. Latest development in the employment services of the Labour Department

(LC Paper Nos. CB(2)788/18-19(03) and (04))

6. At the invitation of the Chairman, Commissioner for Labour ("C for L") briefed members on the latest development in the employment services of the Labour Department ("LD"), details of which were set out in the Administration's paper.

7. Members noted an updated background brief entitled "Employment services of the Labour Department" prepared by the Legislative Council ("LegCo") Secretariat.

Support for job seekers with employment difficulties

Employment support for ethnic minority job seekers

8. Mr SHIU Ka-chun expressed concern about the effectiveness of LD's job referral service for ethnic minority ("EM") job seekers. He pointed out that some EM job seekers who possessed high qualifications were referred to non-skilled job vacancies and some EM job seekers encountered difficulties in finding suitable employment because of language barrier. Noting that LD would launch a pilot programme in conjunction with non-governmental organizations ("NGOs") to provide employment services for EM job seekers ("the pilot programme"), Mr SHIU sought more information on the programme. The Chairman asked about the implementation timetable of the pilot programme.

9. C for L advised that to further strengthen the employment support for EM job seekers, LD would launch a pilot programme in conjunction with NGOs to provide employment services for EM job seekers through a case management approach so as to utilize NGOs' community network, expertise in case management and experiences in serving EMs. Assistant Commissioner for Labour (Employment Services) ("AC for L(ES)") added that LD had met with some NGOs serving EMs to listen to their views on the pilot programme. LD would invite tenders for provision of the relevant employment services after working out the programme details and tender specifications. Depending on the progress of the tender exercise, it was estimated that the pilot programme would be launched in around mid-2020. The Chairman requested and the Administration agreed to provide the tender specifications for the pilot programme when available.

Action

10. In response to enquiries from the Chairman and Mr SHIU Ka-chun, C for L advised that the two employment assistants proficient in EM languages were non-civil service contract staff. Their monthly salary was around \$13,000 which was equivalent to the entry point of the pay scale for Clerical Assistants in the civil service.

Employment support for elderly job seekers

11. Expressing disappointment that the eligible age for elderly Comprehensive Social Security Assistance ("CSSA") had been raised from 60 to 65 from February 2019, Dr KWOK Ka-ki was concerned about the employment support for elderly job seekers, in particular those aged 60 to 64. Dr KWOK enquired whether LD would consider setting up a designated recruitment centre for elderly job seekers.

12. C for L responded that LD provided comprehensive and free employment services to job seekers (including elderly job seekers) through its 13 job centres. Providing services through the existing job centre network in different districts was considered to be more convenient for elderly job seekers than assigning a designated job centre for them. Noting that some elderly job seekers might prefer to take up part-time jobs, LD had been organizing district-based job fairs on part-time employment to meet their needs. AC for L(ES) added that LD had also established a dedicated webpage for elderly job seekers on LD's Interactive Employment Service website to facilitate their access to updated employment information and search for suitable full-time or part-time job vacancies. On the other hand, the Social Welfare Department would extend the service period of the Integrated Employment Assistance Programme for Self-reliance, which aimed at assisting able-bodied CSSA adult recipients (including those aged between 60 and 64) to overcome difficulties in finding jobs and strengthen their employability, at its current service mode to end-March 2020 and would consider further enhancements to the programme in the longer run.

13. Mr AU Nok-hin sought information on the number of job fairs organized by LD targeting at the middle-aged and elderly job seekers and the number of job seekers who had been offered employment at these job fairs in 2018 as well as the effectiveness of these job fairs in assisting the middle-aged and elderly job seekers in securing employment.

Action

14. AC for L(ES) said that LD had organized 11 large-scale job fairs for middle-aged and elderly job seekers since 2015 and four of the them were held in 2018. A total of 2 444 middle-aged and elderly job seekers received employment offers through these job fairs so far. C for L stressed that elderly job seekers could look for jobs through LD and a variety of other channels. Moreover, job seekers were not required to register with LD before making direct application to employers who posted their vacancies and contact information via LD. Those who were placed into employment through direct application were not required to report their employment status to LD. C for L highlighted that the number of employed persons aged 60 to 64 had significantly increased from 85 100 in 2007 to 227 700 in 2017. That said, LD would continue to implement various measures including the Employment Programme for the Elderly and Middle-aged ("EPEM") to encourage employers to hire elderly job seekers.

15. Noting that LD had renamed the Employment Programme for the Middle-aged ("EPM") as EPEM on 1 September 2018, Mr POON Siu-ping expressed concern whether it was because of the unsatisfactory response of EPM. Mr POON sought information on the effectiveness of EPM in the past years, as well as the financial implication, number of target placements and manpower requirements of EPEM.

16. Mr AU Nok-hin noted from the Information Note on measures to promote employment of mature persons in selected places prepared by the Research Office of LegCo Secretariat, there were only 1 463 successful placements for mature persons under EPM in 2017. He considered that the figure was small when compared with the size of the mature labour force of 1.2 million in the same year and asked whether the Administration had reviewed the effectiveness of EPM. Mr SHIU Ka-chun also cast doubt about the effectiveness of EPM/EPEM. He pointed out that the participation rate of elderly job seekers aged 60 or above in EPM was less than 10% of the total number of placements in the period of 2013 to 2017. With reference to the Youth Employment and Training Programme ("YETP"), Mr SHIU asked whether LD would consider collaborating with the business sector to make available on-the-job training places under EPEM to enhance the employability of elderly persons. Dr KWOK Ka-ki said that EPM had been criticized for subsidizing and benefitting the participating employers only.

Action

17. AC for L(ES) said that on the basis of EPM, in order to further encourage employers to hire job seekers aged 60 or above and provide them with on-the-job training, LD had enhanced the programme and introduced an additional level of allowance at a higher rate. Employers engaging job seekers aged 60 or above who were unemployed or had left the workforce were offered, as in YETP, a monthly on-the-job training allowance up to \$4,000 per employee for a period of six to 12 months under EPEM. As for employers engaging each unemployed job seeker aged 40 to 59, the maximum amount of on-the-job training allowance remained at \$3,000 per month for a period of three to six months. In 2017 and 2018, 2 642 and 2 574 placements within the ambit of EPM/EPEM were recorded respectively.

18. As regards the effectiveness of EPEM, C for L said and AC for L(ES) supplemented that 1 042 placements within the ambit of EPEM were recorded from September to December 2018, representing an increase of 19% over the corresponding period in 2017. There were 168 cases (or 16% of those 1 042 placements) involving job seekers aged 60 or above, an increase of 85% over the corresponding period in 2017. LD would bid for additional manpower to cope with the extra workload arising from the enhancement of EPEM and to step up publicity in this regard.

19. AC for L(ES) added that LD had also implemented the Work Trial Scheme to enhance the employability of job seekers who had difficulties in finding jobs. The participating organizations were encouraged to engage the participants after the completion of the one-month work trial. For cases eligible for joining EPEM, employers might also apply for on-the-job training allowance.

Admin

20. At the request of Mr POON Siu-ping and Mr SHIU Ka-chun, the Administration agreed to provide breakdowns of the 168 placements involving job seekers aged 60 or above who had secured employment under EPEM from September to December 2018 by their education attainment, industry and occupation.

21. The Chairman held the view that while the provision of allowance to employers under EPM/EPEM could encourage employers to engage unemployed middle-aged and elderly job seekers with employment difficulties and provide them with on-the-job training, the effectiveness of EPM/EPEM should also be assessed in the light of the retention rate of participants after expiry of the allowance period. AC for L(ES) said that

Action

according to the surveys conducted by LD among the participants of EPM (which offered on-the-job training allowance for three to six months), about 60% to 70% of the cases stayed in employment for six months or more.

Admin

22. The Chairman requested the Administration to provide the numbers of placements secured under EPM/EPDM in two age groups (i.e. 40 to 59 and 60 or above) in the past five years, together with breakdowns by their education attainment, industry and occupation as well as the retention rate upon expiry of the relevant allowance period.

Employment support for persons with disabilities

23. Dr KWOK Ka-ki said that in addition to raising the financial incentive for employers under the Work Orientation and Placement Scheme ("WOPS") and regularizing the emotional counselling service for persons with disabilities, the Government should take the lead in enhancing employment for persons with disabilities. Drawing reference to the practices in many overseas countries/places, Dr KWOK called on the Administration to consider setting a mandatory employment quota for employees with disabilities in the Government and public organizations.

24. C for L said that the recruitment policy of government employees was under the purview of the Civil Service Bureau ("CSB"). While there was no mandatory requirement under the prevailing policy to employ a specified percentage or a specific number of employees with disabilities, CSB had promulgated guidelines for individual bureaux/government departments to accord an appropriate degree of preference in recruiting persons with disabilities found suitable for the job. In addition, various government departments provided barrier-free working environment for employees with disabilities to facilitate their performance of duties.

25. The Chairman held the view that the effectiveness of WOPS should be assessed with reference to the retention rate of persons with disabilities employed under the scheme. The Chairman then referred members to the Director of Audit's Report No. 65 which stated that over 60% of the students of the Vocational Training Council Shine Skills Centres graduated in 2013-2014 who were engaged in open employment had only worked for a period of eight months or less. The Chairman considered that employment of these graduates might be secured under WOPS.

Action

26. C for L advised that there were about 38% of WOPS placements secured in 2017 in which the persons with disabilities still remained in the same post after the eighth month of their employment. Similar figures were recorded for the past few years. Through follow-up service, LD noted that most of the termination cases involved persons with disabilities quitting the job on their own accord due to various reasons, including finding another more suitable employment or pursuing further studies. C for L further advised that in about 40% of WOPS placements, the employment of job seekers with disabilities was terminated in the first three months. Those who had stayed in the same post for more than three months were more likely to sustain employment. To encourage employers to offer employment opportunities to job seekers with disabilities and to assist these job seekers to settle in their new jobs, the work adaptation period during which employers were granted a higher rate of allowance had been extended from two months to three months.

Admin

27. The Chairman remained concerned about the effectiveness of WOPS. The Chairman requested the Administration to provide the numbers of placements secured under WOPS in the past five years, together with breakdowns by the education attainment, industry and occupation as well as the retention rate upon expiry of the allowance period of the persons with disabilities engaged under the scheme.

Employment support for young people

28. Mr SHIU Ka-chun was concerned about the low participation rate of YETP and asked whether the Administration would consider commissioning an independent consultant to conduct a comprehensive review of the programme.

29. C for L responded that while the Government had no plan to engage an external consultant to conduct a review of YETP, LD had in effect reviewed YETP from time to time. The drop in participation of YETP in recent years was partly attributed to the decrease in population of the target age group of 15-24, which was expected to continue in 2020 based on the statistics of the Census and Statistics Department. On the other hand, there were more opportunities for these young people to pursue further studies. In addition, as a result of the vibrant economy in the past few years, young job seekers could find jobs in the employment market more easily and fewer of them sought employment assistance from LD under YETP. C for L further advised that LD had been

Action

implementing a series of measures and programmes to enhance the employability of young people and promote their employment. For instance, two Youth Employment Resource Centres named Youth Employment Start provided personalized advisory and support services on employment and self-employment to those aged between 15 and 29, including career assessment and guidance, self-employment support, workshops on job search techniques, and career talks, through which young people could enhance their employability and better plan their career paths.

30. In concluding the discussion, the Chairman called on the Administration to take into consideration various concerns and views expressed by members on the employment support services for specific groups of people with employment difficulties, in particular the elderly job seekers aged 60 or above, when formulating the related policies.

V. Enhancing the protection of non-skilled employees engaged by government service contractors

(LC Paper Nos. CB(2)563/18-19(05), CB(2)788/18-19(05) and (06))

31. At the invitation of the Chairman, Secretary for Financial Services and the Treasury ("SFST") briefly took members through the transitional arrangements for service contracts at tendering stage or already awarded during the period between the announcement of new measures in the Policy Address on 10 October 2018 and 31 March 2019 ("the transitional period"), as announced by the Government on 18 January 2019 and detailed in the Administration's paper.

32. Members noted an updated background brief entitled "Protection of non-skilled workers of government service contractors" prepared by the LegCo Secretariat.

Presentation of views by deputations/individuals

33. At the invitation of the Chairman, a total of 35 deputations/individuals presented their views on enhancing the protection of non-skilled employees engaged by government service contractors ("GSCs"). A summary of views of these deputations/individuals is in the **Appendix**.

Action

[The Chairman informed members that the meeting would be extended by 15 minutes.]

Discussion

34. In response to the major issues raised by the attending deputations/individuals, SFST made the following points:

- (a) the Administration noted the various views and concerns about the improvement measures to be implemented from 1 April 2019. The inter-bureaux/departmental Working Group chaired by the Labour and Welfare Bureau, which was set up to review the government outsourcing arrangements, had taken most of these views/concerns into consideration during the review. To enable more non-skilled workers to benefit from the improvement measures, the Government announced on 18 January 2019 that transitional arrangements would be in place for service contracts at tendering stage or already awarded during the transitional period. In line with the spirit of the contract, the Government had to seek the relevant GSCs' consent before amending the terms of awarded contracts. Taking into account the additional expenditure to be incurred by GSCs as a result of such amendment, the Government would provide them with top-up payments, which were estimated to be around \$400 million in total, as an one-off special measure;
- (b) it was already a contractual requirement for GSCs to comply with all legislation, including the Occupational Safety and Health Ordinance (Cap. 509) ("OSHO") and its subsidiary regulations. Therefore, employers had to ensure, as far as reasonably practicable, their employees' safety and health at work. The Financial Services and the Treasury Bureau, LD and other relevant departments were actively exploring the inclusion of more employment-related offences (such as occupational safety and health) or breaches of contractual obligations under the debarment mechanism or demerit point system ("DPS") as appropriate. Starting from 1 April 2019, the government service contracts tendered after this date would specify that if a GSC was convicted of an offence under OSHO, it would be debarred from participating in

Action

government procurement under the debarment mechanism for a period of five years from the date of conviction. To strengthen the regulatory efforts in implementing the improvement measures by GSCs, the scope of DPS would be expanded accordingly;

- (c) during the review of government outsourcing arrangements, the Working Group had taken into account the views of different stakeholders concerning the wage level for non-skilled employees engaged by GSCs. Compared with the existing arrangement of a relatively low overall technical weighting and no minimum percentage of technical marks assigned to "wages", the uplifted new overall technical weighting to at least 50% and a minimum weighting of 25% for "wages" was a major step forward in better protecting the employment benefits of the non-skilled workers. In considering whether a higher weighting of "wages" should be set in the tender assessment of government service contracts involving non-skilled workers, there was a need to balance other quality aspects, such as management plans and experience requirements etc. That said, the Administration would monitor the implementation of the improvement measures and keep them under review; and
- (d) to forestall labour disputes over entitlement to severance payment ("SP")/long service payment ("LSP") upon the expiry of the government service contract and help relieve the uncertainty as to whether SP/LSP was payable and the possible financial burden on GSCs when the need to pay SP/LSP arose, particularly upon the abolition of the arrangement of offsetting SP/LSP with employers' mandatory contributions under the Mandatory Provident Fund System, after the review of the Working Group, GSCs would be required to pay contractual gratuity to their non-skilled employees pursuant to the terms of the government service contracts and standard employment contract ("SEC") under the improvement measures. Taking into consideration the eligibility for SP and LSP under the Employment Ordinance (Cap. 57) which required employment under a continuous contract for not less than 24 months and five years respectively, following the review of the Working Group, the contractual gratuity (i.e. 6% of the

Action

total wages earned by the employee during the relevant employment period) was payable to non-skilled employees with no less than one year's service of a continuous contract who completed an SEC, or whose SEC was terminated (including resignation by employees, or dismissal by employers save for summary dismissal due to the employee's serious misconduct).

35. Assistant Director (Finance) of Leisure and Cultural Services Department ("LCSD") added that LCSD would study the concerns about the entitlement to contractual gratuity of non-skilled employees of GSCs performing cleansing duties in public swimming pools under the improvement measures. In response to the Chairman's similar concern, SFST affirmed that the Administration would look into the issue.

[The Chairman suggested and members agreed that the meeting would be further extended by 10 minutes.]

36. Mr CHU Hoi-dick asked whether, irrespective of the transitional period, consideration would be given to providing contractual gratuity to all non-skilled employees engaged by GSCs under existing government service contracts, and if so, whether the additional expenditure incurred by GSCs would be borne by the Government. Mr CHU further called on the Administration to review the arrangement of offering short-term employment contracts, in particular those of duration less than one year.

37. Dr KWOK Ka-ki expressed grave dissatisfaction that the implementation of government outsourcing arrangements could hardly safeguard the employment rights and benefits of the non-skilled employees engaged by GSCs and had created many problems over the years. Given that there were some 50 000 non-skilled employees engaged by GSCs, and that only about 13 000 of them would be benefitted from the transitional arrangements, Dr KWOK considered the coverage of the transitional arrangements too narrow and unreasonable. Dr KWOK asked about the rationale for the arrangements and whether the commencement date of the transitional period could be further advanced to two years from the effective date of the new measures, so as to benefit most of the non-skilled workers. Dr KWOK further enquired whether the Administration would take the initiative to approach GSCs whose contracts already awarded under the old terms to amend the terms of awarded contracts. Dr KWOK then sought details on the

Action

implementation of re-tendering exercise as stated in paragraph 5 of the Administration's paper.

38. SFST advised that it was imperative to set a clear commencement date for policy implementation. The Chief Executive announced in the 2018 Policy Address the introduction of the improvement measures from 1 April 2019 so as to allow sufficient time to complete various preparatory work in relation to the implementation of the improvement measures. To enable more non-skilled workers to benefit from the improvement measures, as mentioned earlier, the Government subsequently announced on 18 January 2019 that transitional arrangements would be in place for service contracts at tendering stage or already awarded during the transitional period beginning 10 October 2018 which would involve top-up payments of some \$400 million in total to be borne by the Government. Procuring departments would, as far as circumstances permitted, postpone tendering or extend the tender closing date with a view to incorporating the new terms in contracts or negotiate with the relevant GSCs to vary the contracts already awarded under the old terms, so that the non-skilled workers concerned could benefit from the improvement measures. If tenders had to be invited under the old terms before 1 April 2019 to meet operational needs, the procuring departments concerned would also try to shorten the contract period (e.g. from the normal duration of three years to one year) as far as practicable so that a re-tendering exercise could be carried out under the new terms at an earlier time to enable the non-skilled workers to benefit sooner.

39. Deputy Secretary for Financial Services and the Treasury (Treasury) 3 stressed that for non-skilled workers engaged under the contracts awarded prior to 10 October 2018 under the old terms, they would benefit from the improvement measures eventually when those contracts were to be retendered. Therefore, the new measures would benefit all non-skilled workers ultimately.

40. Mr CHU Hoi-dick expressed grave concern about a recent media report that a cleansing worker of GSC had to take meal inside the public toilet where he worked. Assistant Director (Grade Management and Development) of the Food and Environmental Hygiene Department ("FEHD") responded that the cleansing worker could take the meal in the attendant room or at FEHD's roll call point nearby.

Action

41. The Chairman called on FEHD to review the provision of basic facilities for rest, changing and storage for non-skilled employees engaged by GSCs and make necessary improvements.

Admin

42. At Mr CHU Hoi-dick's request, the Administration agreed to provide a consolidated response to the views and concerns raised by deputations/individuals attending the meeting. The Chairman requested the Administration to provide the response by end of March 2019.

43. There being no other business, the meeting ended at 8:12 pm.

Council Business Division 2
Legislative Council Secretariat
11 April 2019

Panel on Manpower

Meeting on Tuesday, 19 February 2019, at 4:30 pm

Meeting to receive views on "Enhancing the protection of non-skilled employees engaged by government service contractors"

Summary of views and concerns expressed by deputations/individuals

No.	Name of deputation/individual	Submission / Major views and concerns
1.	The Federation of Hong Kong & Kowloon Labour Unions	<ul style="list-style-type: none"> ● LC Paper No. CB(2)822/18-19(01)
2.	Hong Kong Catholic Commission for Labour Affairs	<ul style="list-style-type: none"> ● LC Paper No. CB(2)828/18-19(02)
3.	Mr WU Chi-kin	<ul style="list-style-type: none"> ● While welcoming the improvement measures to be implemented from April 2019 for enhancing the protection of the employment terms and conditions as well as labour benefits of non-skilled employees engaged by government service contractors ("GSCs"), the wage level of at least 12.5% in the overall assessment was still considered to be too low. The low wage level was due to the adoption of the "lowest bid wins" principle in tender evaluation for government outsourced services. ● Expressed disappointment at the lack of standardized employment terms for non-skilled employees of GSCs in different procuring departments. ● Non-skilled employees of GSCs should enjoy rights and benefits comparable to those of government employees. ● The Administration should strengthen its monitoring efforts on GSCs.
4.	Environmental Contractors Management Association	<ul style="list-style-type: none"> ● While raising no objection to provision of contractual gratuity to non-skilled employees of GSCs, it should be spelt out clearly that it could be offsettable against the severance payment, long service payment as well as employers' mandatory contributions under the Mandatory Provident Fund System. ● The proposed increase of the wage level to at least 12.5% in the overall assessment in the tender assessment was too high, which would result in lowering the relative weighting for relevant experience and service quality of GSCs. ● The proposed three-year service contracts should be shortened to two years so as to tie in with the biennial adjustment cycle of statutory minimum wage.

No.	Name of deputation/individual	Submission / Major views and concerns
5.	Hong Kong Pest Management Association	<ul style="list-style-type: none"> ● It was considered acceptable that non-skilled employees of GSCs would be entitled to contractual gratuity under the improvement measures. ● The substantial increase in weighting of wage level as an assessment criterion to at least 25% in the technical assessment and the normal technical weighting in tender evaluation to the range of 50% to 70% was disproportionately higher than the weightings for other aspects in the tenders. ● The proposed change of tenure of government service contracts from two years to three years would make it difficult to estimate the wage cost of non-skilled employees of GSCs, which was usually adjusted in accordance with the biennial adjustment cycle of the statutory minimum wage rate, in preparing the tender price.
6.	Civic Party	<ul style="list-style-type: none"> ● LC Paper No. CB(2)888/18-19(01)
7.	The Hong Kong Federation of Trade Unions (Labour Services Centre)	<ul style="list-style-type: none"> ● LC Paper No. CB(2)822/18-19(02)
8.	Miss WONG Nga-man	<ul style="list-style-type: none"> ● The introduction of improvement measures was overdue and could address only some of the long-lasting problems of the government outsourcing system ("GOS"). ● Expressed grave concern about the occupational safety of non-skilled employees of GSCs when handling solid waste, in particular upon passage of the Waste Disposal (Charging for Municipal Solid Waste) (Amendment) Bill 2018.
9.	BU Movement	<ul style="list-style-type: none"> ● Raising no objection to the improvement measures, but the Government should instead abolish GOS. ● Expressed concern about the disparity of employment terms and conditions among non-skilled employees engaged directly by the universities and those engaged by GSCs. ● The Government should consider adopting the living wage concept as recommended by Oxfam Hong Kong in setting a minimum wage level for non-skilled employees engaged by GSCs.
10.	Cleaning Services Industry Workers Union	<ul style="list-style-type: none"> ● LC Paper No. CB(2)822/18-19(03)
11.	Ms TSE Fung-ying	<ul style="list-style-type: none"> ● The Government should require GSCs, in particular cleansing services, to specify provision of the necessary and appropriate items/clothing/equipment and drinkable water as well as rest time and paid meal breaks to their non-skilled employees in the standard employment contract ("SEC").

No.	Name of deputation/individual	Submission / Major views and concerns
12.	Hong Kong Buildings Management & Security Workers General Union	<ul style="list-style-type: none"> ● LC Paper No. CB(2)822/18-19(04)
13.	Mr CHUNG Kwai-keung	<ul style="list-style-type: none"> ● Expressed grave concern that consequent upon frequent change of GSCs, it had been difficult for non-skilled workers of these GSCs to accumulate continuous years of service with the same employer although they had remained in the same posts for years. This would have adverse impact on their statutory employment benefits and other benefits under the Employment Ordinance ("EO") (Cap. 57) which were calculated by reference to the reckonable years of service. ● The Government should further raise the wage level for non-skilled employees engaged by GSCs. ● The Government should strengthen its monitoring efforts against GSCs.
14.	Mr WONG Kit-yip	<ul style="list-style-type: none"> ● Expressed concern that consequent upon frequent change of GSCs, it had been difficult for non-skilled workers of these GSCs to accumulate continuous years of service with the same employer although they had remained in the same posts for years. This would have adverse impact on their statutory employment benefits under EO. ● It was suggested that the same effective date should be adopted for implementing the improvement measures for all government service contracts.
15.	Mr TO Chun-ho	<ul style="list-style-type: none"> ● If a non-skilled employee of GSC was required to report for duty when Typhoon Warning Signal No. 8 or above was hoisted, the wages on that day should be calculated at the rate of 200% of his originally entitled wages. ● More specific and clear guidelines should be formulated in respect of work arrangements for non-skilled employees of GSCs in times of hot and inclement weather. ● The Government should strengthen its monitoring efforts on GSCs and substantially revise the Demerit Point System ("DPS") including expanding its scope. Also, prompt action should be taken to follow up on complaints lodged against GSCs.
16.	The Hong Kong Federation of Trade Unions Right & Benefits Committee	<ul style="list-style-type: none"> ● LC Paper No. CB(2)828/18-19(01)

No.	Name of deputation/individual	Submission / Major views and concerns
17.	The Hong Kong General Union of Security & Property Management Industry Employees	<ul style="list-style-type: none"> ● Strongly requested that contractual gratuity be payable to non-skilled employees of GSCs with less than one year's service of a continuous contract on a pro-rata basis. ● Consideration should be given to improving the working environment/rest areas for non-skilled employees engaged by GSCs. ● The Administration should address issues relating to occupational safety and health ("OSH") of non-skilled employees engaged by GSCs.
18.	Hong Kong Women Workers' Association	<ul style="list-style-type: none"> ● LC Paper No. CB(2)888/18-19(02)
19.	Cleaning Workers Union	<ul style="list-style-type: none"> ● LC Paper No. CB(2)888/18-19(03)
20.	Nepalese Cleaning Workers Concern Group	<ul style="list-style-type: none"> ● LC Paper No. CB(2)888/18-19(04)
21.	Hong Kong Confederation of Trade Unions	<ul style="list-style-type: none"> ● LC Paper No. CB(2)822/18-19(05)
22.	Chamber of Security Industry	<ul style="list-style-type: none"> ● LC Paper No. CB(2)817/18-19(02)
23.	外判清潔工關注組	<ul style="list-style-type: none"> ● Expressed grave concern about the increased workload of non-skilled employees engaged by GSCs performing cleansing duties after the passing of typhoons, in particular MANGKHUT, given that there was no provision of additional manpower and necessary items/equipment. ● Expressed dissatisfaction that the Food and Environmental Hygiene Department had made little efforts to monitor the cleansing services and maintenance of the facilities of public toilets in the suburb after outsourcing the cleansing services to GSCs. ● While the improvement measures were a good step to better protect non-skilled employees engaged by GSCs, the Government should further make efforts to enhance GOS. For instance, appropriate and protective items/equipment should be provided to non-skilled employees of GSCs to protect their OSH.
24.	Mr 陳福明	<ul style="list-style-type: none"> ● Most of the aged non-skilled employees of GSCs were forced to take up the jobs to earn a living because of lack of retirement protection. They could only take up jobs with meagre wages or obnoxious nature of duties. ● Many of the aged non-skilled employees of GSCs suffered from work-related musculoskeletal disorders.

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25.	Miss YEUNG Hoi-yin	<ul style="list-style-type: none"> While welcoming the improvement measures, the Administration should strengthen its regulatory efforts on GSCs and further enhance GOS. The Administration should consider applying the improvement measures to all existing government service contracts so as to address the disparity in employment terms and conditions among non-skilled employees of GSCs. Expressed grave concern that non-skilled employees engaged by GSCs, especially those performing cleansing duties in public swimming pools of the Leisure and Cultural Services Department, with less than one year's service would not be entitled to contractual gratuity under the improvement measures.
26.	天主教香港教區 教區勞工 牧民中心—新界	<ul style="list-style-type: none"> The Government should strengthen its regulatory efforts on GSCs. To improve the protection of non-skilled employees of GSCs, the Administration should address various issues of concern including improving working environment and OSH as well as provision of appropriate rest facilities. The wage level of non-skilled employees of GSCs was too low. The Government should ensure that GSCs' non-skilled employees were reasonably remunerated.
27.	Mr HO Ka-on	<ul style="list-style-type: none"> Owing to the Government's failure in monitoring GSCs, the rights and benefits of non-skilled employees of GSCs could not be duly protected. The scope of DPS was too narrow to protect the non-skilled employees of GSCs. Under the improvement measures, the increase in the weighting of wage level in the marking scheme for tender assessment and provision of contractual gratuity could not significantly improve the livelihood of non-skilled employees of GSCs. The Administration should conduct a review of GOS to enhance the protection of non-skilled employees of GSCs.
28.	教區勞工牧民中心—九龍 政府外判清潔關注組	<ul style="list-style-type: none"> Expressed grave concern that under the improvement measures, non-skilled employees engaged by GSCs performing cleansing duties in public swimming pools with less than one year's service would not be entitled to contractual gratuity. Also, there was further concern that these workers were required to perform extra duties.
29.	港島屋邨清潔工關注組	<ul style="list-style-type: none"> Owing to the different opening hours of public swimming pools during the swimming season and non-swimming season, non-skilled employees of GSCs performing cleansing duties in swimming pools were offered short-term employment contracts on a renewable basis. Concern was expressed about their entitlement to contractual gratuity

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		<p>under the improvement measures.</p> <ul style="list-style-type: none"> ● Enquiry was raised as to whether contractual gratuity could be provided on a pro-rata basis to non-skilled employees of GSCs engaged under short-term employment contracts less than one year.
30.	教區勞工牧民中心—九龍	<ul style="list-style-type: none"> ● Expressed grave concern about occupational safety of non-skilled employees of GSCs performing cleansing services at public housing estates.
31.	天主教勞工牧民中心—港島	<ul style="list-style-type: none"> ● Disappointment was expressed at the Administration's failure to address the concern about non-provision of protective items/equipment for non-skilled employees of GSCs performing cleansing duties at old public housing estates, so as to safeguard these workers' occupational safety. ● The Administration should squarely address the deficiency of GOS and ensure that non-skilled employees of GSCs could work in a safe working environment and be reasonably remunerated.
32.	港島東清潔工關注聯盟	<ul style="list-style-type: none"> ● The Administration should study the urgency and necessity of requiring non-skilled employees of GSCs to report duty in time of typhoons. It was suggested that these workers could decide on their own whether to report duty during typhoons. ● Expressed grave concern that non-skilled employees of GSCs had been unreasonably requested to perform certain extra duties requiring special knowledge. The job specifications of these workers should be clearly stated in SEC. ● It should be specified in SEC that storage and changing facilities should be provided to non-skilled employees of GSCs.
33.	Living Wage Alliance	<ul style="list-style-type: none"> ● LC Paper No. CB(2)822/18-19(06)
34.	Government Frontline Staff General Union	<ul style="list-style-type: none"> ● Expressed dissatisfaction that the Government had not monitored GSCs nor protected frontline non-skilled employees of GSCs. ● Expressed grave concern about occupational safety of the non-skilled employees engaged by GSCs when carrying out cleansing duties on the roadside. ● The wage level of the non-skilled workers engaged by GSCs was too low and should be raised.

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35.	Hong Kong Food & Environmental Hygiene Department Staff Rights Union	<ul style="list-style-type: none">● To address the deficiency of GOS, the Administration should abolish the system and directly employ the non-skilled workers of GSCs. Consideration should also be given to implementing universal retirement protection.● Paid meal breaks and rest time should be specified in SEC.● Consideration should be given to adopting a living wage of \$54.7 per hour in setting the minimum wage level for non-skilled employees of GSCs.● Non-skilled employees of GSCs should be provided with appropriate storage and rest/changing facilities as well as protective clothing/items/equipment.

Council Business Division 2
Legislative Council Secretariat
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