Examination of Estimates of Expenditure 2019-20

Reply Serial No.

## CONTROLLING OFFICER'S REPLY

**FHB(FE)137** 

## (Question Serial No. 1146)

Head:	(49) Food and Environmental Hygiene Department
Subhead (No. & title):	(-) Not specified
Programme:	<ul><li>(1) Food Safety and Public Health</li><li>(2) Environmental Hygiene and Related Services</li></ul>
Controlling Officer:	Director of Food and Environmental Hygiene (Miss Vivian LAU)
Director of Bureau:	Secretary for Food and Health

## Question:

With regard to environmental hygiene and related services, please provide information on the following:

- (a) What are the Department's estimated expenditure and manpower resources for the provision of cleansing services in 2019-20 (including the expenditure on various cleansing services as well as the number of contractors, in-house staff and contractor staff)? What are the changes in expenditure and manpower over the past 3 years? Please provide the information with a breakdown by type of services.
- (b) The Chief Executive has announced measures to improve the employment terms and conditions as well as labour benefits of non-skilled employees engaged by government service contractors in the 2018 Policy Address. The measures include increasing the technical weighting in the marking schemes for tender evaluation and the weighting of wage level as a criterion for technical assessment, enhancing the employment benefits (including providing a contractual gratuity) for the non-skilled employees, and encouraging procuring departments to adopt service contracts with a minimum term of three years where operational situations permit. Please advise on the implementation of the relevant measures for outsourced cleansing services, the additional expenditure involved, and the improvement made to the salaries or the employment terms and conditions of the employees concerned.
- (c) The Secretary for Labour and Welfare Dr. Law Chi-kwong said earlier that many workers of contractors engaged by the Government were elderly people, arousing concern in various sectors of the community about the ageing problem of outsourced workers. What is the age distribution of front-line outsourced cleansing workers (excluding staff at managerial and supervisory levels)? What measures has the Department taken to deal with the ageing problem of outsourced workers?

<u>Asked by</u>: Hon HO Chun-yin, Steven (LegCo internal reference no.: 36) <u>Reply</u>:

- (a) The Food and Environmental Hygiene Department (the Department) will provide public cleansing services in 2019-20 at an estimated expenditure of \$3,410 million. These include street cleansing, waste collection and other public cleansing services. A total of about 11 800 staff, including 3 080 departmental staff and 8 670 contractors' staff, are involved in providing such services. Comparing the expenditure on a year-on-year basis, there is an increase of about 6.1% in 2017-18, 14.6% in 2018-19 and 12.3% in 2019-20 respectively. The increase in manpower is about 3.1%, 9.3% and 7.9% (estimate) in 2017, 2018 and 2019 respectively.
- (b) The new measures are applicable to tenders to be issued on or after 1 April 2019. To benefit non-skilled workers engaged in the service contracts awarded during the transitional period between the announcement of the new policy in October 2018 and the effective date of 1 April 2019, the Department will negotiate with the service contractors concerned to incorporate relevant new enhancement measures into the service contracts by making top-up payments on a reimbursement basis for the additional costs incurred, estimated at \$68 million. For contracts to be tendered after 1 April 2019, expenses arising from the new measures will be reflected in the tender price of the contracts.
- (c) The Department does not keep statistics on the age distribution of front-line outsourced cleansing workers. For the sake of occupational health and efficiency, the Department is making use of suitable equipment/machineries to improve its public cleansing services. Technological solutions or equipment will be specified as part of the requirements of our new service contracts. The Department will also encourage service operators to make suggestions on innovative application of technologies under proposed Execution Plan of the contract, which will increase their technical marks and hence their likelihood of tender award.

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