

5,000 jobs at stake in private sanitation plan

By Tanny Chan

AS MANY as 5,000 Government jobs could be affected if the Urban Services Department decides to recommend handing its sanitation services over to private enterprise.

USD Assistant Director Dr Patrick Hase said this yesterday.

But he emphasised a decision had yet to be made on the proposal, and added that staff would not necessarily lose their jobs immediately even if the proposal went ahead.

Dr Hase said a trial scheme had indicated full privatisation could save as much as 40 percent of current spending on sanitation services.

About 5,000 USD staff work on sanitation, including street sweeping and refuse collection.

Under the current arrangement between the Urban Council and the Government, Urbco pays the salaries of staff of the USD, which is the executive arm of Urbco.



Urbco also pays another sum — amounting to 40 percent of USD staff salaries — to the Government for fringe benefits since Urbco is financially independent while USD staff are civil servants.

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Dr Hase said any steps toward complete privatisation of sanitation services would be taken carefully to avoid hardship to staff.

Compensation to laid-off workers or redeployment of personnel would be among the possibilities, he said, and if Urbco chose gradual implementation then workers would be phased out as they retired.

The trial scheme on service privatisation began two years ago in squatter areas and public lavatories in Stanley, Hongkong Island East and Kowloon West.

Under the scheme, public cleaning duties are done by private organisations on contract through a tendering procedure.

Dr Hase said the trial has been under constant review and preliminary findings show it could be improved.

The trial scheme might, at the end, swing into full scale privatisation but it is "too premature" to make a firm decision at this stage, he said.