

For information
26 April 2005

LegCo Panel on Manpower

Work Trial Scheme

Purpose

This paper briefs Members on the Labour Department's proposal to launch the Work Trial Scheme, which aims to provide 2 000 work trial places for eligible job-seekers.

Background

2. In the 2005 Policy Agenda, it was stated that the Labour Department (LD) would launch a Work Trial Scheme ("the Scheme") to enhance the employability of job-seekers who have special difficulties in finding jobs. This paper sets out the details of the Scheme.

Objective of the Scheme

3. The objective of the Scheme is to provide opportunities of work trial for job-seekers who have special difficulties in finding jobs, such as job-seekers who have registered at LD for a prolonged period but remain unemployed and those who have failed repeatedly in job interviews.

The Work Trial

4. Scheme participants will take up jobs offered by the participating organizations. During the work trial period, there will be no employment relationship between the participant and the participating organization. This is to encourage more participating organizations to open up work trial vacancies for job-seekers.

Work Trial Allowance to Scheme Participants

5. On satisfactory completion of the one-month work trial, the Scheme participant will receive an allowance of \$5,000. Of this, \$4,500 will be contributed by LD and \$500 by the participating organization. We consider an allowance of \$5,000 appropriate and attractive enough to job-seekers interested in taking up the work trial. It is broadly

comparable to the wage level offered by employers for jobs at the elementary level. The participating organization will be required to pay \$500 to LD before taking on the Scheme participant. After the work trial, LD will pay \$5,000 to the participant if he/she has completed at least 80% of the work trial.

Insurance Coverage for Scheme Participants

6. LD will take out insurance to indemnify Scheme participants against damages arising from personal accidents sustained, and from any third party litigation arising out of the participants' negligence, during the course of work trial.

Monitoring Mechanism

7. LD will put in place the following measures to prevent abuse of the Scheme by participating organizations:

- Participating organizations will be required to offer genuine vacancies for the work trial, to provide on-the-job training to the participants and to appoint a mentor to coach the participants during the work trial period.
- Participating organisations will have to pay their share of the allowance amounting to \$500 to LD upfront before taking on each Scheme participant.
- A quota of work trial places will be set, having regard to the employment size of the applicant organisations, for the maximum number of work trials.
- LD will conduct, on a random basis, on-site inspections to ensure participating organisations' compliance with the Scheme requirements.
- Participating organizations have to sign on the attendance records of Scheme participants to certify that the records are correct for submission to LD for checking.
- If the participating organisation does not employ the Scheme participant on completion of the work trial, LD will follow up with the organisation to assess its sincerity in employing Scheme participants. Any organisation found to have no sincerity in

employing Scheme participants as permanent employees on satisfactory completion after their work trial will be debarred from taking part in the Scheme.

Obligations of Scheme Participant

8. Scheme participants will have to sign an undertaking to declare that they are not relatives or immediate former employees of the participating organisations. To qualify for the work trial allowance, they have to attain an attendance rate of at least 80%. In this respect, they will have to sign on a record to certify their attendance to be submitted by the participating organisations to LD for checking. Normally, a job-seeker can only receive the Scheme allowance once.

Estimated Expenditure

9. The estimated expenditure of the Scheme is about \$9 million, which will be absorbed within the provision of LD.

Implementation

10. We expect to launch the Scheme in June 2005. We will closely monitor the operation of the Scheme and fine-tune it, as necessary, in the light of experience.

Economic Development and Labour Bureau
Labour Department
April 2005