

ITC STEM Internship Scheme
City University of Hong Kong

Appendix 2 - Important Notes on Allowance and Financial arrangements

- The allowance for the internship of each student intern is **HK\$11,190 per month** (i.e. for the purpose of calculating allowance under the Scheme, one month has 30 days) with effect from 1 April 2023, capped at three months (i.e. 90 days, maximum at HK\$33,570) in one academic year (i.e. 1 September to 31 August of the following year). **The allowance will be disbursed to student interns via CityUHK directly.**

- The agreed remuneration to be paid and received by the student intern, including salary, wage and any expected allowance, including the allowance under the Scheme, where applicable, should be **clearly stated in the employment agreement for the internship** and agreed between the employer and the intern, before commencement of work.

- **Unless the student applicants have obtained the corresponding documents by relevant authorities and statutory declaration as applicable as “Student Intern” or “Work Experience Student” for exemption of minimum wage requirement before the commencement of internship, Minimum Wage Ordinance (the Ordinance) applies to internships under the Scheme and employers should pay the students with salary no less than the Statutory Minimum Wage rates as specified in the Ordinance for the whole period of employment, regardless of the allowance to be disbursed to student interns via CityUHK under the Scheme.**

Statutory Minimum Wage does not apply to the “Student Interns” and “Work Experience Students during a period of exempt student employment” under the Minimum Wage Ordinance. Employers in Hong Kong should observe the relevant requirements under the [Minimum Wage Ordinance \(Cap. 608\)](#) **unless the student** is eligible to work as a “Student Intern/Work Experience Student” under the Minimum Wage Ordinance, and **has already obtained the respective exemptions of minimum wage requirement upon obtaining corresponding declaration and/or endorsement by relevant authorities before the commencement of internship** as stipulated below:

A. “Student Interns” under the Minimum Wage Ordinance

Criteria on Nature of Internship

STEM internships used for fulfilling **elective component of a full-time degree programme.**

Note: STEM internship should NOT be arranged to meet the compulsory requirement for graduation of a degree programme.

Criteria on Age and Duration of Internship

- no restriction on age; and
- no restriction on duration of internship

Statutory Minimum Wage Exemption

Statutory Minimum Wage (SMW) would not be applied to endorsed “Student Interns”.

Allowance and Financial Arrangements

The allowance under the Scheme will be **disbursed to eligible students via CityUHK directly** while employers may pay the student interns a monthly honorarium on top of the allowance under the Scheme with reference to their internal policies, industry benchmarks or market rates.

MPF contribution

According to the Mandatory Provident Fund Schemes Ordinance in Hong Kong, MPF contributions apply to student interns aged 18 or above who are employed for a continuous period of 60 days or more.

If no additional salary or remuneration is provided to student interns on top of the allowance under the Scheme, MPF contribution is not required during the internship period.

Required actions for EMPLOYERS

- Check if the student is eligible to work as “Student Intern”
- Remind the student to obtain the document - [Confirmation of “Student Intern” Status under the Minimum Wage Ordinance \(Cap. 608\)](#) from their home College/School
- Keep a record of the endorsed document - [Confirmation of “Student Intern” Status under the Minimum Wage Ordinance \(Cap. 608\)](#) starting from the commencement of internship and for a period of another six months after the student employee ceases to be employed

Required actions for STUDENTS

- Check with your home College/ School if you are eligible to work as “Student Intern” under the Minimum Wage Ordinance for exemption of minimum wage requirement
- Complete a document - [Confirmation of “Student Intern” Status under the Minimum Wage Ordinance \(Cap. 608\)](#)
- Seek endorsement from your home College/School to confirm the status of “Student Intern”
- Provide the endorsed document - [Confirmation of “Student Intern” Status under the Minimum Wage Ordinance \(Cap. 608\)](#) to the employer before the commencement of internship

B. “Work Experience Students” under the Minimum Wage Ordinance

Criteria on Nature of Internship

STEM Internship **is NOT an elective component** of the full-time degree programme.

Criteria on Age and Duration of Internship

- under the age of 26 years at the beginning of employment; and
- the student employee and his employer may agree to treat a continuous period of up to 59 days as exempt student employment; and at most one period of exempt student employment may commence in the same calendar year (regardless of whether the employment is with the same employer or not). Also, the student employee has to make a statutory declaration verifying this fact and provide the declaration (or copy) to the employer.

Statutory Minimum Wage Exemption

Statutory Minimum Wage (SMW) would not be applied to “Work Experience Students during a period of exempt student employment” for **a period up to the 59th day of internship work.**

Allowance and Financial Arrangements

The allowance under the Scheme will be **disbursed to eligible students via CityUHK directly**. Employer will need to **fulfil the minimum wage requirement under the prevailing legislation from the 60th day onwards, and pay the “Work Experience Students” no less than the minimum wage for the period of employment beyond the continuous period of the 59-day employment**, regardless of the allowance to be disbursed to students via CityUHK under the Scheme.

MPF Contribution

According to the Mandatory Provident Fund Schemes Ordinance in Hong Kong, MPF

contributions apply to student interns aged 18 or above who are employed for a continuous period of 60 days or more.

If **no additional salary or remuneration** is provided to students on top of the allowance under the Scheme, **MPF contribution is only applicable during the internship period that minimum wage applies**, i.e. from 60th day onwards, **according to the wages payable by Employers.**

Required actions for EMPLOYERS

- Check if the student is eligible to work as “Work Experience Student”
- Agree with the student to treat a continuous period of up to 59 days as a period of exempt student employment
- Remind the student to obtain the two documents - [Confirmation of student status for “work experience student” under the Minimum Wage Ordinance \(Cap. 608\)](#) and [statutory declaration for a period of exempt student employment](#) from the relevant authorities
- Keep a record of the two endorsed documents - [Confirmation of student status for “work experience student” under the Minimum Wage Ordinance \(Cap. 608\)](#) and [statutory declaration for a period of exempt student employment](#) starting from the commencement of internship and for a period of another six months after the student employee ceases to be employed

Required actions for STUDENTS

- Check with your home College/School if you are eligible to work as “Work Experience Student”
- The student has to agree with the employer to treat a continuous period of up to 59 days as a period of exempt student employment
- Complete a document - [Confirmation of student status for “work experience student” under the Minimum Wage Ordinance \(Cap. 608\)](#)
- Seek endorsement from your home College/School
- Obtain [the statutory declaration for a period of exempt student employment](#) through [Home Affairs Enquiry Centre](#)
- Provide the endorsed documents - [Confirmation of student status for “work experience student” under the Minimum Wage Ordinance \(Cap. 608\)](#) and [statutory declaration for a period of exempt student employment](#) to the employer before the commencement of internship

Points to Note

The exemption from Statutory Minimum Wage does not apply if a work experience student has not agreed with the employer to treat a certain period as a period of exempt student employment.

C. Student applicants who are NOT eligible to work as/ have NOT successfully declared as “Student Intern / Work Experience Student” under the Minimum Wage Ordinance

If the student applicant is **NOT eligible to work as/has NOT successfully declared as “Student Intern / Work Experience Student” before the commencement of internship**, Minimum Wage Ordinance applies and the **Employers should pay the student with salary no less than the Statutory Minimum Wage rates as specified in the Ordinance since the commencement of internship**, regardless of the allowance provided under the Scheme.

Employers should observe the Mandatory Provident Fund Schemes Ordinance in Hong Kong and arrange for the students to join a registered Mandatory Provident Fund (MPF) scheme if applicable – MPF contribution is according to wages payable by employers.

In other words, **neither the “Student Interns” nor the “Work Experience Students” statuses should be presumed without the corresponding declaration documents and employers should ensure the Minimum Wage Ordinance is observed as legally required in the employment contract formed under this Scheme.**

We therefore strongly encouraged ALL participating employers to check with the student interns appointed regarding their relevant status before the internships begin.

For details, please refer to [Minimum Wage Ordinance \(Cap. 608\)](#) , [Labour Department’s website](#) and [Notes from Labour Department on Statutory Minimum Wage](#).