

How Do I Pay Practicum Students on a Short Contract?



Question

Hello Debby,
Thank you so much for putting up so many great Q and A's on HR Insider.
We're thinking about hiring 6 practicum students or recent graduates from a university to conduct some business development research. The contract/term would be about 2 months long. We do not want to pay them hourly as most of them would be working from home. Can we pay a lump sum payment after 2 months once the task is accomplished? If so, is can you confirm what the legality would be if you do the calculations by breaking down the lump sum payment and the hourly rate is below minimum wage?

Please advise. Thank you.

Answer

With the recent focus on payment of practicum students in the courts, we want to ensure we are extra diligent with this. According to Employment Standards Act payment should be received a minimum of once a month. You could pay a guaranteed minimum salary (the equivalent of minimum wage) at the end of each of the months and then add a bonus at the end of the project for completing certain goals (depending on budget).