Unpaid Internship Policy

How to Use This Tool

Internships and voluntary employment is **not** a break from normal employment regulation. Interns have clear rights that you must recognize and respect, including in most cases the right to be paid at least minimum wages. So make sure you implement a clearly worded and specific policy setting out interns' rights and obligations. This policy is based on Ontario law. If you're not in Ontario, you'll need to adapt it to ensure compliance with the employment standards and OHS requirements of your own jurisdiction—particularly Section 3, the provisions regarding compensation.

UNPAID INTERNSHIP POLICY
(ONTARIO VERSION)

1. **POLICY**

ABC Company believes in the value of offering educational internships to students and others who can benefit from the opportunity to learn about ABC Company's business and gain valuable insight and experience.

2. **PURPOSE**

The purpose of this Policy is to define the terms and conditions of ABC Company internship arrangements and the rights and responsibilities of the parties involved in those arrangements.

3. **COMPENSATION**

a) **Interns as Employees:** In accordance with the Ontario *Employment Standards Act* (ESA), interns shall be considered employees who are entitled to be paid at least the minimum wage and provided the minimum overtime, vacation and other rights guaranteed by the ESA.

b) **Exceptions:** Notwithstanding Section 3(a) above, interns may not be deemed employees under the ESA and thus may be hired on an unpaid basis and without the ESA benefits guaranteed to employees if they qualify for one of the following three exemptions:

i. The student exemption applies to students working as a part of a program approved by a secondary school board, college of applied arts and technology or university, including co-ops, internships and other experiential learning placements approved by high schools, colleges of arts and technology and universities.

ii. The professional exemption applies to professionals and students training to join those professions.

iii. The trainee exemption applies to persons receiving training from ABC Company, provided that ALL of the following conditions are met: (1) The training is similar to that provided in a vocational school. (2) The training is for the benefit of the intern. (3) ABC Company employer derives little, if any, benefit from the activity of the intern while he or she is being trained. (4) The intern's training doesn't take someone else's job.(5) The intern is not promised a job with ABC Company at the end of his/her training. (6) ABC Company tells the intern that he/she will not be paid.

4. **UNPAID INTERNSHIP AGREEMENTS**

Before beginning work with ABC Company, all unpaid interns shall sign an agreement listing the date the internship begins and ends and expressly stating that:

- The internship is related to an educational or training purpose and there is no guarantee or expectation that the internship will result in employment with ABC Company.
- The education or training received by the Intern from the internship is for the intern's express benefit.
- The Intern does not replace or displace any ABC Company employee.
- The Intern will receive direct and close supervision by an appropriate supervisor.
- ABC Company does not derive an immediate advantage from the activities performed by the Intern.
- The intern is not entitled to wages or any compensation or benefits for the time spent in the internship.
- ABC Company is not liable for injury sustained or health conditions that may arise for the unpaid intern during the course of the internship.

The agreement shall also indicate the intern's specific agreement to and acknowledgement of the following:

- The internship is educational or training in nature and there is no guarantee or expectation that it will result in employment with ABC Company.
- ABC Company may at any time in its sole discretion, terminate the internship without notice or cause.
- The intern will maintain a regular internship schedule determined by the Intern and his/her supervisor.
- The intern will demonstrate honesty, punctuality, courtesy, a cooperative attitude, proper health and grooming habits, appropriate dress and a willingness to learn.
- The intern will obey the policies, rules and regulations of the ABC Company site and comply with ABC Company's business practices and procedures.
- The intern will furnish his/her supervisor with all necessary information pertaining to my unpaid internship, including related assignments and reports.
- Under no circumstances will the intern leave the internship without first conferring with his/her supervisor.
- Transportation to and from the internship site is the intern's responsibility.
- While the intern is on the premises of ABC Company, he/she will be considered an employee or agent of ABC Company including but not limited for purposes of workers' compensation.
- The intern assumes all of the risks of participating in the internship program.
- In consideration of the opportunity afforded to the intern to participate in the internship program, the intern must agree that he/she and his/her assignees, heirs, guardians, and legal representatives will not make a claim against ABC Company.

Intern: _____ Title: _____

For ABC Company: _____ Date: _____

Date: _____