

# Internships

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## Introduction

In the labour market, employers can offer different forms of work including internships which are not always paid positions within a given company.

## What counts as an internship

Work experience can be called a 'placement' or an 'internship'. Internships can be positions requiring a higher level of qualification than other forms of work experience. They are often associated with gaining experience for a professional career. However, the term 'intern' has no legal status under National Minimum Wage (NMW) law.

Entitlement to the NMW does not depend on:

- what someone's job is called
- the type of work they do
- how the work is described (for example 'unpaid' or 'expenses only')
- the profession or sector they work in

What matters is whether the agreement or arrangement between the employer and employee makes them a worker for NMW purposes.

Some forms of work experience, including placements and internships, may be referred to as 'unpaid work' or 'expenses only'. When someone gives their

services free of charge they often do so in order to develop or maintain their skills.

Organisations offering such positions must check if the person is a volunteer for NMW purposes or if an exemption applies. If the person is not a genuine volunteer and is not exempt, then an employer must pay them at least the NMW.

## **Examples of workers who are entitled to the National Minimum Wage**

### **Illustrative example 1 - Internship with a verbal agreement:**

Griselda takes up an internship at a newspaper business. She agrees verbally with the editor that she will work for 4 days a week from 9am to 5pm and will undertake research activities as directed. Griselda receives some payment for working the agreed hours.

She has made a verbal contract with the editor and should be paid at least the NMW. A contract can be oral or implied as well as written.

### **Illustrative example 2 – ‘unpaid intern’ with a promise of paid work:**

Will applies for a position at a record company. He is told that for 3 months he will be paid expenses only and is referred to as an ‘unpaid intern’. However, as part of Will’s agreement with the company, it is promised that at the end of his ‘internship’ he will be taken ‘on the books’ and paid above the NMW.

Will should be paid at least the NMW for the whole time he spends at the record company.

Whether someone is a worker does not depend on what job title they are given. For example, calling someone an ‘unpaid intern’ or ‘volunteer’ does not prevent them from qualifying for the NMW if they are really a worker.

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