

On the attractiveness of internship

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The Law on Internships¹ came into force in August. It regulates the legal framework for internships carried out by persons 16 years of age and older within companies or public institutions. We have already reported on this law as well as on the obligation of drawing up internship contracts.

On 12th October, legal templates for internship contracts, internship certificates and the application for government bonuses² were published as an ordinance³. In this article, we analyse the contract from the perspective of a company.

Internship agreement

As we already reported, the Internship Law created a bureaucratic framework for internships, similar to the one stipulated by the Labour Code. So the template now published for internship contracts is very like the legally provided employment contract sample, both in terms of content and structure.

The main integral parts of the contract are: the object of the contract, the duration of the contract (maximum 6 months), the workplace, the tasks of the intern (an internship description, similar to a job description within an employment contract); working schedule (and overtime ban), internship remuneration, health and safety at work, the rights and duties of the parties, contract termination, final dispositions, disputes.

There are a few aspects worth mentioning:

a. Rights of the intern

An intern has the right, among other things, to an internship remuneration, support by a mentor, access to any information needed, objective assessment, an internship report, and the right to file a challenge to that report, on which the company must decide within five days.

b. Duties of the company

The company has the obligation, among other things, to hand over the internship contract before the beginning of the internship, to pay the remuneration, to appoint a mentor, to issue the internship report and the internship certificate, to use the intern exclusively for the activities mentioned in the internship contract and description (and not as an untrained worker), to record working time and to take all measures for ensuring health and safety at work.

c. Termination of the internship agreement

According to the law and the contract template, an internship agreement will end, inter alia, on the expiry date, if its parties sign an individual employment contract or upon mutual agreement. We draw attention to the following two regulated special cases of contract termination:

¹ *Law on Internship*, Law 176/2018

² 4.586 RON, in case an employment agreement is signed within 60 days after the internship and maintained for at least 24 months

³ Ordinance of the Minister for Labour and Social Justice No. 2004/2018

- The extraordinary termination by law (*reziliere*), when a party does not fulfill its obligations or fulfills them poorly and does not make the necessary efforts to correct the situation within 5 days as of receipt of a notification in this respect;
- The ordinary termination (*denunțare unilaterală*) with a 15-day notice period.

These reasons for termination differ from the Romanian labour law, which provides that there always *must* be a reason given for termination; a termination as an effect of the law in the case of failure to correct an uncompliant behavior within a given period of time would be unimaginable under common employment law. This shows that, despite the similarity of the internship agreement to the employment contract and of the relevant regulations, the legislative body has assigned a special status to the internship agreement.

It is noteworthy that a termination of the internship agreement *without* notice period is not included at all in the new regulation, even though this is very important: there are many possible cases of serious uncompliant behavior which would require an immediate termination. In practice, this regulation will surely give birth to problems, especially because the supervisory authorities have the competence to verify how a contract has been terminated.

Conclusion

The legislative body has designed a system for internships that is similar to the usual labour law, both in terms of content and procedure. However, the character of an internship contract differs from the one of an employment contract – which raises questions.

Unfortunately, the similarity applies also to a widely criticised aspect: bureaucracy. From the legal contract templates, the job descriptions and electronic internship register (a second 'Revisal'⁴) to the requirements of the (challengeable) report and the internship certificate—everything is detailed and strictly regulated.

This aims to protect the interns, but it could lead – alongside the conditions and limitations, the payment obligation, and the overtime ban – to decreasing the attractiveness of the internship.

In any case, the state's incentive for hiring interns is a positive regulation.

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⁴ Employee register