



# The Reciprocal

Insurance, Financial & Business Solutions

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## Ensuring Your Summer Students/Interns are Adequately Covered

Spring Break has come and gone; as such, our thoughts turn to warmer weather, summer vacations and potentially hiring summer students. **The prospect of hiring summer students often raises questions about liability and vehicle insurance;** and you may wonder whether your MEARIE insurance provides coverage for students or not.

**Regarding your Liability Insurance, yes, students are covered - but there are some details to consider...**

When engaging students it is important to consider what their role in the company will be. Will they be an [intern](#)<sup>1</sup>; a co-op student (high school or university) as part of their educational credit requirements; or simply a temporary employee? Each type of student may have its own terms or conditions affecting your insurance coverage.

### **Who is an "Insured"?**

The definition of an INSURED under the MEARIE Liability policy, Section 6.11.1 includes, "any officer, director or employee while performing his or her duties...or volunteer while acting on behalf of Named Insured related to Operations Covered." Therefore, students are included as either employees or volunteers. As long as the student is acting within the scope of their employment duties, they would be treated the same as other employees working for you. All students, regardless of the job function or experience, should be properly screened prior to hiring, trained for the job to be performed, educated on company policies and procedures, along with health and safety, and then supervised adequately.

Pay special attention to the terms of contracts when engaging Co-op Students and Interns. Depending on the circumstances, outside insurance might be applicable.

<sup>1</sup> Gillis, Alex. "Intern vs. employee: Are your clients onside with provincial law?" Small Biz Advisor, 10 Dec. 2013. Web. March 2014.



**High School Co-op Students:** If a student is on a specified [cooperative education](#)<sup>2</sup> or other experimental learning program, job shadowing or “take our kids to work” program, they are covered by the liability insurance of the School Board. If you engage a high school student under a formal educational co-op program it is recommended you consult with the school board to fully understand your responsibilities and the [insurance provided by the School Board](#)<sup>3</sup>. It is recommended you obtain a certificate of insurance showing your company as an Additional Insured. However, if you involve the co-op student in work or activities outside of the contracted co-op education program, the student’s liability is not covered by the Board, but rather by your MEARIE Liability policy. As always, you as an employer are responsible for supervising and training co-op students for both your protection and the protection of the student.

**Interns** are often unpaid workers in exchange for learning experience. If you plan on offering an internship program, it is imperative you [comply with Ontario Labour Laws](#)<sup>4</sup>. Your understanding of when an intern is an employee and when they are simply an intern will reduce the potential for Employment Practice or D&O claims from interns. As far as Liability coverage goes, an intern working/volunteering in the scope of their duties as assigned would be covered under the MEARIE Liability policy.

## Enjoy your summer without worrying about what insurance coverage you need to cover your summer students.

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## Can students drive company vehicles?

The MEARIE Vehicle policy provides coverage for the vehicle and the individual driving it. Insurance goes with the vehicle and not with the driver. The MEARIE policy is a blanket fleet policy that does not schedule either specific vehicles or specific drivers. There are three key issues to keep in mind for MEARIE Vehicle coverage to apply:

- The vehicle must be owned or leased in your company’s name;
- The driver must be properly licensed for the class (type and size) vehicle, and;
- Have permission from the company to drive the vehicle.

Keep up-to-date on the latest Ontario regulations on [licensing](#)<sup>5</sup>, CVOR, and load limit restrictions; consult the [Ontario Ministry of Transport](#)<sup>6</sup>. A specific issue for summer students relates to [graduated](#)<sup>7</sup> licenses. As there are three stages to the Ontario “G” class license (from G1, the most restrictive to the full G, allowing any car, van (less than 10 passengers) or small truck).

Regardless of the license class, driving restrictions or experience, it is recommended each “new” driver be given a road test. Consideration should be given to [obtaining an uncertified driver’s license](#)<sup>8</sup> for each new driver before being allowed to drive your vehicles, just to be on the safe side.

<sup>2</sup> "Cooperative Education and Other Forms of Experiential Learning." *Ontario Ministry of Education*. 2000. Web. March 2014.

<sup>3</sup> "Risk Management Advisories: Co-Operative Education/Work Experience Programs." *Ontario School Board Insurance Exchange*. 2010. Web. March 2014.

<sup>4</sup> "Are Unpaid Internships Legal in Ontario?" *Ontario Ministry of Labour*. March 2014. Web. March 2014.

<sup>5</sup> "Licence Type." *Ontario Ministry of Transportation*. 4 March 2014. Web. March 2014.

<sup>6</sup> "Trucks & Buses." *Ontario Ministry of Transportation*. 26 March 2014. Web. March 2014.

<sup>7</sup> "The Graduated Licensing System in Ontario." *Service Ontario*. n.d. Web. March 2014



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