

EMPLOYMENT STANDARDS FACT SHEET

DIRECT SELLERS

This fact sheet applies to employers and employees involved in a direct selling business within the meaning of the Direct Selling Business Licensing Regulation (AR 190/99) under the Fair Trading Act. Direct selling means:

- the business of soliciting, negotiating or concluding in person,

- at any place other than the seller's place of business,
- of sales contracts for the provision of goods or services,
- where the buyer is the consumer.

The Employment Standards Code and Regulation establish minimum standards for these employers and employees.

Application of Minimum Employment Standards

Adolescents aged 12 to 14:

Adolescents age 12 to 14 cannot be employed as direct sellers unless the employer has obtained a permit from the Director of Employment Standards.

Employees who are 15 years old:

An employer who employs individuals who are 15 years old as direct sellers must comply with the following provisions of the Employment Standards Code:

- the maintenance of all employment records as required by sections 14 and 15,
- pay statements at the end of each pay period as required by section 14(2),
- hours of work, which includes:
 - confining work to a 12 hour period
 - notice of work times
 - rest periods and days of rest
 - overtime and overtime pay,
- payment of the hourly minimum wage of \$7.00 and the requirement to pay at least 3 hours at minimum wage each time an employee reports to work as scheduled,
- vacations and vacation pay,
- general holidays and general holiday pay,
- notice of termination and termination pay,
- maternity and parental leave,

Employees age 16 or older:

An employer who employs individuals age 16 and older as direct sellers must comply with the following provisions of the Employment Standards Code:

- the maintenance of all employment records as required by sections 14 and 15 with the exception of section 14 (1)(a) regular and overtime hours of work;
- pay statements at the end of each pay period as required by section 14(2)
- payment of the weekly minimum wage of \$280.00; the prorating of the weekly minimum wage to a daily wage, based on the employer's established work week, is permitted when an employee does not, or is not required to, work a full week;
- vacations and vacation pay;
- notice of termination and termination pay;
- maternity and parental leave.

Commission and Other Incentive Pay Plans

For information regarding the calculation of earnings for direct selling employees paid on a piecework basis, see Fact Sheet #8, Commission and Other Incentive Pay Plans.

This document is for general information. For the purposes of interpretation and application of the law, the Employment Standards Code and the Employment Standards Regulation should be consulted.

- Contact our Information Centre at: **427-3731**
(Toll-free in Alberta by dialing 310-0000, then 780-427-3731)
- Visit our Web site at: www.gov.ab.ca/hre/employmentstandards