

## A Special Wage Rate for the Mercantile Industry

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### Working Together

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We have been asked from time to time by clients whether employees working for a business in the retail sale of goods are required to be paid a minimum of four (4) hours even if required to work less.

The answer is yes. Under Connecticut Department of Labor Regulations Section 31-62-D2, any employer employing people to work in a “mercantile trade” as defined therein, must pay an employee for a minimum of four (4) hours at his/her regular pay rate notwithstanding whether the hours worked are actually less than four (4) hours. (The regulations define “mercantile trade” as “the trade of wholesale or retail selling of commodities and any operation supplemental or incidental thereto, including, but not limited to, buying, delivery, maintenance, office, stock and clerical work. Repair and service employees may be excluded if the major portion of their duties is unrelated to the mercantile trade as herein defined.”)

An employer may obtain a waiver for this four (4 hour) minimum requirement only upon entering into a written waiver agreement signed by the employee and approved by the Labor Department, and only if the minimum daily pay received by that employee is at twice the applicable minimum hourly rate.

For any questions about this regulation or any other wage and hour questions, give us a call.

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