

DEPARTMENT OF INDUSTRIAL RELATIONS

DIVISION OF LABOR STANDARDS ENFORCEMENT

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ADDRESS REPLY TO:
P.O. BOX 603
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IN REPLY REFER TO:

March 3, 1987

Mr. Barry Kinder
1970 Fell Street, #1
San Francisco, CA 94117

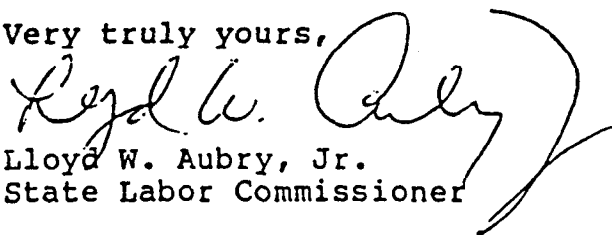
Dear Mr. Kinder:

This is in reply to your letter of February 20, 1987, regarding the payment of minimum wage and commissions.

An employee covered by the Orders of the Industrial Welfare Commission must be paid at least the minimum wage for each period of employment. The minimum wage may be used as a draw against commission provided that the commission equals or exceeds the minimum wage for each pay period. The minimum wage which is paid as draw against commission may be reconciled against earned commissions at regular intervals dependent upon the frequency commissions are earned and the amount involved. Reconciliation should not be at intervals of more than one year and, in most instances, at least every six months. Enclosed is a copy of IWC Order 4-80 covering employees in the professional, technical, clerical, mechanical and similar occupations.

I hope this is responsive to your questions. If not, please let me know.

Very truly yours,



Lloyd W. Aubry, Jr.
State Labor Commissioner

LWA/cs

enc.