



This factsheet has been prepared for general information purposes. It is not a legal document. Please refer to the *Employment Standards Act* and Regulation for purposes of interpretation and application of the law.

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## Hair Stylists

Section 1 of the *Employment Standards Act* defines an employee very broadly, as:

- A person receiving or entitled to wages for work performed for another;
- A person an employer allows, directly or indirectly, to perform work normally performed by an employee;
- A person being trained by an employer for the employer's business.

### Client information

Determining who owns client information depends on factors like who generates the clients and who maintains the records.

### Chair rental arrangements

Some hair stylists work under a "chair rental" arrangement where the stylist pays a salon a flat fee or a percentage of amounts charged to clients, and the salon considers the stylist to be self-employed.

A stylist working under a chair rental agreement may actually be an employee. In order to decide this, the relationship of the parties is looked at, including the definitions of "employer" and "employee" in the Act and various common law tests developed by the courts.

### Common law tests

These tests try to establish whether a person is in business for him or herself by asking questions relating to control of the business, ownership of tools, chance of profit, risk of loss, the permanence

of the relationship and how integral the stylist's work is to the salon's business. Some questions that may be asked are:

- Does the stylist set his or her own hours;
- Can the stylist see a client somewhere else;
- Who decides how much is charged for services;
- Is the stylist required to use certain name brands or tools, supplies and equipment provided by the salon;
- Does the stylist have a financial investment in the business;
- Does the stylist have an ongoing relationship with the business;
- Whose business do the clients consider it to be?

For further information, see the *Employee or Independent Contractor* factsheet.

### If the stylist is an employee

**Deductions from wages:** Employers cannot pass on business costs to employees. Employees cannot be charged for hair products and supplies used in the course of their employment;

**Training:** A person being trained for an employer's business is an employee and must be paid;

**Minimum daily pay:** An employee is entitled to two hours minimum daily pay;

*Continued...*



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***Minimum Wage:*** An employee is entitled to at least minimum wage regardless of how wages are paid. If paid by commission, the amount of wages earned in a pay period must meet or exceed minimum wage when divided by the total hours worked during that period.

**Requirements of the Act cannot be waived**

The requirements of the Act are minimum requirements and any agreement to waive them has no effect.

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