

Consumer Protection Division

Work at Home Schemes

Work-at-Home schemes

Saskatchewan consumers are warned against getting involved in work-at-home schemes without first knowing all the facts. Operators of these schemes often advertise using vague language to create expectations of high income and gainful employment. However, promised jobs are seldom what they appear to be and, therefore, often do not result in any real earnings.

Work-at-home schemers usually target senior citizens, the handicapped and others on fixed or limited incomes by offering a chance to earn extra money by doing work at home.

Work-at-home promotions often have one thing in common. They require you to buy something from the advertiser before you begin work...it's really a plan to sell you something. You are saddled with goods, brochures or instructions while the advertiser ends up with your money.

Work-at-home scheme ads can be found in the "want-ad" sections of newspapers, and in magazines, etc.

Most work-at-home schemes require you to buy something before you begin to work.

Here are some examples of typical advertisements:

"\$1,000-\$3,000 monthly stuffing envelopes. For details send \$1.00 and self-addressed stamped envelope."

If you answer an ad such as this one, you usually receive a letter asking you to send more money for a "kit" to help you make some quick cash at home. The "kit" turns out to be a booklet telling you how to go into the business of placing the same kind of ad the advertiser ran in the first place... a "do unto others" operation. As replies to your ad arrive, you "stuff" the self-addressed envelopes with a letter similar to the one you originally received for your dollar.

"Address envelopes - at home in your spare time. We supply everything. Earn \$100 to \$200 weekly."

For a small fee you get an instruction booklet explaining the offer. Then you are given a chance to buy unstamped post cards offering some kind of product or service...often monograms, baby shoe bronzing or cosmetics. You mail them to people you pick. If any of the orders are returned, you receive a small commission. No money is paid to you for simply addressing and mailing the cards.

"Women...\$350 monthly for assembly work at home; opportunity for beginners; experience unnecessary; no selling."

You must buy instructions and materials for making various items such as potholders, baby booties or aprons which are to be bought from you and sold by the promoter. However, your work will probably be rejected because it isn't up to the promoter's "standards". You are left to try to sell the stuff yourself.

Be Careful...

You should closely examine offers which guarantee income from work-at-home programs. Here are some warning signs:

- promises of large profits for little work;
- require money for instructions or merchandise before telling you how the plan operates;
- use personal testimonials but never give the address of a satisfied worker;
- assure you no experience is necessary;
- claims that there are guaranteed markets and a great demand for your handiwork;
- tell you that money "up front" is a sign of good faith on your part.

Remember...if an opportunity sounds too good to be true, chances are that it is.

For more information, contact:

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A current version of these and other consumer tips are available at the Consumer Protection Division website at www.fcaa.gov.sk.ca/cpd. Most public libraries have Internet access available if you do not have Internet at home.

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