

MODULE 2

Beginning Employment: Your Wage and Your Paycheck

Module Overview

Time: 90 minutes plus Introductions

- Objectives:**
- to practice figuring hourly wages from a pay stub
 - to review state and federal minimum wage laws, who is covered, and where to turn for help in case of violations
 - to review history of minimum wage regulations and how they get changed through the political process

- Preparation:**
- read: Schwartz, *Your Rights on the Job*, Chapter 1
 - copy and read handouts: *Participant Outline*; *Yvonne's First Paycheck*; *Yvonne's Pay Stub*; *Minimum Wage in a Nutshell*; *Living Wage Basic Needs Budget*;
 - find out what bills regarding minimum wage, if any, are currently being considered at the state house or US Congress. (call the MA AFL-CIO for information on current bills).
 - prepare flipcharts

Materials: flipchart, markers, tape, ball (optional, for icebreaker)

Module Outline

Module Detail

Welcome and Introduction

Time: 5 minutes

Welcome participants, introduce yourself, and review workshop objectives and agenda. It is helpful to put the Objectives and Agenda on flipcharts to post.

Icebreaker: Who is Here?

Time: 15 minutes

Materials: Small ball (optional)

Icebreaker: What is our Experience?

Ask participants to introduce themselves, giving their name and union or organizational affiliation, if any, and share something about their work experience.

Yvonne’s First Paycheck

Time: 15 minutes

Handout: *Yvonne’s First Paycheck*

What’s on a Pay Slip?

Time: 20 minutes

Handouts: *Yvonne’s Pay Stub*

Flipcharts: *Pay Slips: The Law, Sample Pay Stub*

Notes to instructor:

Activity 1: Yvonne’s First Paycheck

Break participants into small groups. In each group find a volunteer to read aloud the handout: *Yvonne’s First Paycheck*. Ask each group to discuss the questions at the bottom of the story and try to reach agreement on answers. Ask one person to record the group’s answers for sharing. Have groups report back their answers. Compare the answers from each group and discuss any disagreements.

Activity 2: What’s on a Pay Slip?

Review the flipchart: *Pay Slips: The Law*. Ask participants what questions they have about what a pay slip must show. In small groups again, ask participants to examine Yvonne’s pay stub and identify the information that is required by law. Was Yvonne cheated? What other information can they find on Yvonne’s pay stub? What questions do they have? Ask the group as a whole to share and compare their answers. Review the *Sample Pay Stub* flipchart. Ask what other deductions might be on a pay stub. What other kinds of hours? What other questions do they have about pay stubs?

Before breaking into small groups, make sure the following pieces of information are mentioned and explained: Year-to-date (YTD) figures, marital status/exemptions. Also make sure everyone understands the concept of gross and net pay. (N.B. Yvonne’s taxes are higher than they need be, because she did not claim all the exemptions she was entitled to. You needn’t mention this unless one of the participants brings it up.)

When reviewing the “Sample Pay Stub” flipchart, start by asking who in the group gets a pay stub, or has gotten one in the past. If most people in the group have experience with pay stubs, ask the questions to fill in the chart. If not, walk through the stub, filling it in as you go. Other deductions include: health insurance (and/or life, disability, dental, etc. insurance), retirement or 401K, credit union, United Way, union dues, etc. Other kinds of hours include overtime, holiday or vacation pay, sick days, etc.

What is the Minimum Wage and Who is Covered?

Time: 10 minutes

Handout: *Minimum Wage in a Nutshell*

Activity 3: What is the Minimum Wage and Who is Covered?

Ask participants to listen to the following mini-rap on the Massachusetts and federal minimum wage laws:

Mini-rap:

“Laws in this country regulate the least amount that a worker must be paid. These are called minimum wage laws. Your employer may pay you more than the minimum wage, but not less.

This has not always been the case. 100 years ago, there was no minimum wage. Working people in the early labor movement fought for legal protections for workers. The Fair Labor Standards Act, passed in 1938 in response to workers’ struggles, mandated both a minimum wage and premium pay for overtime (which we will take up in a later section). Since 1938, states have passed their own minimum wage laws. The actual amount of the minimum wage (both federal and state) has been changed over the years to make up for inflation.

The federal law currently guarantees you \$5.85/hour; the Massachusetts law gives \$7.50/hour. Most people are covered (but see the exceptions on the handout). If you are covered by both, the highest one is the one that counts.**

Immigrant workers, whether documented or undocumented, are covered by minimum wage laws. It is not always safe, however, for undocumented workers to go to state and federal agencies with complaints, as those agencies might notify Immigration and Customs Enforcement (ICE).

Undocumented workers should check first with an advocacy organization (see handout: *Partial List of Advocacy Organizations*). The handout *Safe and Unsafe Agencies for Immigrant Workers* is only a guideline. Policies change. To be safe, always go to an advocacy organization first.

Review the handout: *Minimum Wage In A Nutshell*.

Ask the whole group: Who is covered by the Massachusetts law? By the federal law? Where would you go for help if your employer paid you less than the minimum?

**It's The Legal Minimum,
But Can You Live On It?**

Time: 25 minutes

Handout: *Living Wage
Basic Needs Budget*

Flipchart: *Current Attempts
to Change the Minimum
Wage*

Note to facilitators:

** (If there are immigrants in your class, you may want to ask them about minimum wage laws in their country of origin.)*

*** If appropriate, you could ask here for a show of hands of people who work in the private sector and are covered by Massachusetts law, and those who work in the public sector and are covered by the federal law.*

Activity 4: It's the Legal Minimum, But Can you Live on it?

Divide into small groups. Each group will get a *Living Wage Basic Needs Budget* worksheet. Ask each group to fill out the budget as best they can. Stress that it is not important that people know the "correct" answers. Do this exercise quickly, using people's best guesses. You may want to walk through questions 10 – 14 together.

Have all the groups compare their answers and discuss the following questions:

1. Do you think the minimum wage is enough to live on?
2. Why do you think it is so low?
3. How does it get changed?
4. What can we do to help change it?

You can assign different family sizes (and/or locations) as you feel appropriate for this exercise, or give all small groups the same family for ease.

Be sure to leave time for Question 4. On question 1, refer back to Yvonne's Story. On question 2, draw out the political nature of how the minimum wage is set. On question 3, explain the basics of the legislative process. Note the importance of public pressure; e.g., living wage campaigns.

For question 4 put up flipchart of current attempts to change the minimum wage. Depending on what is before the legislature, and what public campaigns are being waged at the moment, this is the opportunity to explore different strategies for bringing up wages (e.g., indexing, self-sufficiency standards, living wage campaigns, etc.) The answers to question 4 can then involve participation in grass roots efforts, lobbying, or whatever is appropriate given what is actually going on at the time.

Summary and Remedies

Time: 5 minutes

Summary and Remedies:

“There is a minimum wage law. If it is violated, you can file a complaint with the Massachusetts Attorney General’s Fair Labor and Business Practices Division in Boston, (617) 727-3465, or Springfield, (413) 784-1128.

The minimum wage may be inadequate to support you. Before accepting a job, figure out what your expenses are. Then figure out your take home pay. If the pay does not cover the expenses, you can’t afford the job!

The minimum wage may be changed through the political process.”