

## MODULE 2

# Beginning Employment: Your Wage and Your Paycheck

## Module Overview

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**Time:** 90 minutes

- 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.
  - Read and copy handouts: *Participant Outline*; *Yvonne's First Paycheck*; *Yvonne's Pay Stub*; *Minimum Wage In Brief*; *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

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### Welcome and Introduction

**Time:** 5 minutes

**Flipcharts:** *Objectives and Agenda*

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

### What is Our Experience?

**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. (Optional: throw the ball to one participant. Have that person introduce him/herself, and throw it to another person. That person does the same, and so on until all have introduced themselves.)

**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.*

*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 Brief*

**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 \$7.25/hour; the Massachusetts law gives \$15.00 starting Jan. 1, 2023. 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. Government policies change. To be safe, always go to an advocacy organization first.

**Notes to Instructor:**

\* *(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 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 federal law.*

**Activity 3 continued**

Review the handout: *Minimum Wage in Brief*.

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*

**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?

**Notes to Instructor:**

*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 Division in Boston, 617-727-3465, New Bedford, 508-990-9700, Springfield, 413-784-1240, or Worcester, 508-792-7600.

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.”

## **MODULE 2**

### **Beginning Employment: Your Wage And Your Paycheck**

**1 hour 30 min.**

#### **Participant Outline**

##### **Objectives:**

- To practice figuring hourly wages from 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

#### **Welcome/Introduction**

##### **Activity 1: Icebreaker: Who is Here?**

Introduce yourself to the others and answer the question(s) posed by the facilitator.

##### **Activity 2: Yvonne's First Paycheck**

In small groups, read "Yvonne's First Paycheck", and analyze the case using the questions at the bottom.

##### **Activity 3: What's on a Pay Slip?**

Review the information that is required on a pay stub, as well as other information that you might find there.

##### **Activity 4: What is the Minimum Wage and Who is Covered?**

Review what state and federal laws say about the minimum wage: what is it, who is covered, and where to go for help.

##### **Activity 5: It's The Legal Minimum, But Can You Live On It?**

In small groups, fill out the "Living Wage Basic Needs Budget" worksheet. Discuss whether the minimum wage is enough to live on, and how it can be changed.

#### **Summary and Remedies**

## Yvonne's First Paycheck

As Yvonne stood in line to get her paycheck, she daydreamed about what she would do with the money she was earning. Yvonne had just started her job this week. This would be her first paycheck.

The first thing Yvonne wanted was to buy Troy some new sneakers. Troy was her son, a toddler. Then, she wanted to be able to help her Mom with the rent and groceries. Her mother was letting her live there for free, but Yvonne wanted to contribute her share to the household. Last, but not least, Yvonne planned to put aside some money every week. She wanted to save up for a security deposit and first month's rent, so that she and Troy could move into an apartment of their own one day.

Yvonne was making \$15.00 an hour. She figured that her weekly check should come to \$600. As she moved toward the front of the line, she tried to figure out how much she could pay her mother, and still have something left to put aside for herself and Troy.

Yvonne reached the front of the line. The supervisor handed her a pay envelope.

Yvonne quickly opened the envelope and looked at the check. "Oh, my gosh!" she exclaimed in horror. "Where's all my money? This check is only for \$486.16!"

Turning to her supervisor, Yvonne burst out, "I've been cheated! I'm supposed to get \$600! What have you done with the rest of my money?"

1. What is happening in this story? \_\_\_\_\_

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2. Why do you think it is happening? \_\_\_\_\_

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3. Do you think Yvonne's employer has cheated her? Why or why not? How would you find out?

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Employee Name: Yvonne Townsend		Employee ID: 1558		Check Date: 05/14/2023		Check No: 110778	
Current YTD	GROSS	TAXES	DEDUCTIONS	NET PAY	Pay Period Ending	Base Rate	Amt. of check
	600.00	113.83	- 0 -	486.17			
	600.00	113.83	- 0 -	486.17			
CURRENT				YEAR TO DATE			
DESCRIPTION	HOURS	GROSS AMOUNT	DEDUCTION	AMOUNT	DEDUCTION	AMOUNT	
Regular	40	\$600.00					
			Fed. Tax	\$38.16	Fed. Tax	\$38.16	
			State Tax	\$27.71	State Tax	\$27.71	
			FICA	\$37.20	FICA	\$37.20	
			Med	\$8.70	Med	\$8.70	
			FLI	\$2.06	FLI	\$2.06	
Acme Products, Inc.				Taxable Marital Status: S			
				Fed. Exemptions: 01			
				State Exemptions: 00			



## LIVING WAGE BASIC NEEDS BUDGET

You are a family of: \_\_\_\_\_ PARENTS, \_\_\_\_\_ CHILDREN.

Number of wage earners: \_\_\_\_\_

Fill in the following budget with the basic minimum costs necessary for your family type. Just include the basics – do not include extras such as a lot of dining out or a large wardrobe.

Line	Category	COST PER MONTH
1	Food	\$
2	Rent	
3	Utilities	
4	Telephone	
5	Health care	
6	Transportation	
7	Childcare	
8	Clothing/household	
9	Personal expenses	
<b>10</b>	<b>TOTAL MONTHLY COSTS</b> (add lines 1-9)	\$
11	Annual expenses (Line 10 X 12 months)	
12	Payroll taxes (15% of line 11)	
13	Annual income (Add lines 11 + 12)	
14	Hourly wage needed to cover basic expenses plus taxes (Line 13/52 weeks per year) / 40 hours week/# of wage earners)	\$

## Flipcharts for **MODULE 2: Beginning Employment: Your Wage & Your Paycheck**

### Flipcharts for Welcome and Introduction

#### **Objectives**

- To practice figuring hourly wages from 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 process.

#### **Agenda**

- Welcome/Introduction
- Incebreaker: Who is Here??
- Yvonne's first paycheck
- What's on a pay slip?
- What is the Minimum Wage and Who is Covered?
- It's the legal minimum, but can you live on it?
- Summary and Remedies

**Flipcharts for Activity 2**

**Pay Slips: The Law**

- A. Employers must give employees a pay slip or check stub even if they pay in cash.
- B. The pay slip must include the following information
  - Name of employer
  - Name of employee
  - Date of payment
  - number of hours worked
  - hourly rate
  - amount of each deduction

**Sample Pay Stub**

<b><i>ABC Company</i></b>					
Employee Name:			Check Date:		Check #
<b>Gross Pay:</b>		<b>- Taxes/Ded.</b>		<b>= Net Pay</b>	
<b>Base rate:</b>					
<b>Type</b>	<b>Earnings</b>		<b>Taxes/Deductions</b>		
	<b>Hours</b>	<b>Amount</b>	<b>Description</b>		<b>Amount</b>

**Flipchart for Activity 4:**

**Current Attempts to Change the Minimum Wage**

*(List any ongoing campaigns or bills currently before the legislature that address this issue.)*

**Flipchart for Summary & Remedies**

*Notes for this flipchart: Use the appropriate phone number for the Attorney General depending on where you are; you need not include all 4.*

**Minimum Wage Law: Summary and Remedies**

- Mass. Minimum wage = \$15.00/hour.
- Federal minimum wage = \$7.25/hour

In case of violation, file a complaint with:

Mass. Attorney General  
Fair Labor Division  
Boston: (617) 727-3465  
New Bedford: (508) 990-9700  
Springfield: (413) 784-1240  
Worcester: (508) 792-7600

- The minimum wage may not be enough to support you.
- The minimum wage may be changed through the political process.