

KIT: Employment Rights - Wages

Legal Rights Literacy Kits

This is one of nine kits designed for Literacy and Basic Skills (LBS) programs in Ontario. The kits provide ready-made materials for LBS practitioners to help learners improve their literacy skills while learning about legal rights.

The kits were developed by CLEO, adapting content created by the Community Law School (Sarnia-Lambton). They relate to three areas: Workplace Rights, Tenant Rights, and Consumer Rights. Each kit includes learning activities and tasks that can be used to facilitate learning, and to demonstrate, track and document learners' progress towards completion of their goal path.

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Legal Rights Literacy Kits for LBS

KIT: The Steps to Justice Website

Employment Rights

KIT: Workplace Posters

KIT: Wages

This KIT!

KIT: Injuries at Work

Consumer Rights

KIT: Payday Loans

KIT: Collection Agencies

Tenant Rights

KIT: Paying Rent

KIT: Maintenance and Repair, Part 1

KIT: Maintenance and Repair, Part 2

Introduction to the Kit

This kit includes learning activities and task sets related to minimum wage and payment of wages.



Task Sets

This kit includes three task sets. Task sets 1 and 2 involve locating information online (in *Your Guide to the Employment Standards Act*), and identifying information about wage rights.

Task set 3 involves getting information from a wage statement, and making calculations. Only use the questions in task set 3 that are relevant to learners, and ensure they have had sufficient practice with the requisite calculation skills before attempting it.

This kit uses the following resources to facilitate learning about literacy skills and rights related to payment of wages.

- **Your Guide to the Employment Standards Act:** This is an online guide to the Employment Standards Act. It was created by the Government of Ontario to help Ontarians understand employment-related rights and responsibilities. It can be accessed at:
<https://www.ontario.ca/document/your-guide-employment-standards-act-0>.
This two-minute video introduces the online guide, and demonstrates how to navigate within it.
<https://vimeo.com/448907830/7f28d5586d>
- **Sample Pay Stubs:** Sample pay stubs help familiarize learners with items on a wage statement and provide practice with making calculations.

You may choose to use the task sets for learning purposes, or to demonstrate, track and document learner progress towards completion of their goal path. Success criteria for each task set is indicated on the task set answer sheet.

OALCF Cover Sheet and Task Performance Indicators

These learning materials are aligned to the Ontario Adult Literacy Curriculum Framework (OALCF). If you choose to use a task set in this kit to demonstrate learner progress towards goal completion, then complete the cover sheet and scoring rubric on the final pages of this kit. Include them in the learner file, along with other assessment items, such as Initial assessment results, Milestones and Culminating Tasks.

The task sets in this kit are offered as examples; feel free to modify the task questions, OALCF cover page or rubric to suit learner needs. Please note that if you adapt the task questions, they may not comply with the level and complexity of the original scoring rubric.

Ongoing Assessment: If you choose to use one or more task sets for ongoing assessment purposes, learners should attempt the task set independently.



Background Information on Legal Rights

It is a good idea to introduce learners to key concepts related to employment rights related to wages, such as minimum wage, payment of wages, hours of work, and mandatory wage deductions. Learners may also want to know about the Ontario law that lays out these employment rights and responsibilities, the **Employment Standards Act (ESA)**, which applies to most workers in Ontario.

For legal information written in clear language about payment of wages, visit:

- Steps to Justice: www.stepstojustice.ca
- Your Guide to the Employment Standards Act: <https://www.ontario.ca/document/your-guide-employment-standards-act-0>

On Steps to Justice, the following questions about wages are answered, in the Employment and Work topic:

- How much does my employer have to pay me?
- Does my employer have to pay me for public holidays?
- Does my employer have to pay me overtime?
- Do I get to keep tips that I get from customers at work?
- Does my employer have to pay me for vacation?
- Should I be paid for training or for working a trial shift?
- How can I tell how much I've been paid?
- What can my employer deduct from my pay?
- Do Ontario's laws about pay apply to me?
- Can an employer ask me to sign an overtime agreement?



Literacy Skills

It's a good idea to review and provide practice with literacy skills and strategies related to the OALCF Competencies and related task groups addressed in this Kit.

Skills/Strategies related to OALCF Competency A: Find and Use Information

- **Skimming for gist:** Direct learners to glance at the table of contents, pay attention to the headings and glance at parts of the document. Inform them that this helps them determine what the document is about, and whether it applies to them. Encourage learners to predict what information the document contains, and when they may need it.
- **Questioning:** Engage learners in posing questions that they want answered by the text. This helps them read for a purpose.



Introduction to the Kit, *continued*

- **Scanning for specific information:** When searching for details, guide learners in first determining where to search, by first locating the relevant section in the table of contents, or heading within the text, then looking over the information for key words.
- **Using layout:** Encourage learners to notice how the documents are organized and the visual layout (e.g., table, chart, headings), and to use the layout to locate information.
- **Using pictures:** Draw learners' attention to images, logos or icons and their meaning.
- **Using features of lists and tables:** Guide learners in using titles, headings, bullets/numbering, and row/column headings to find information and understand purpose.
- **Identifying the source of information:** Guide learners in locating the source of information and the date. This will help them determine whether the information is trustworthy.
- **Retelling or summarizing:** Encourage learners to retell the information in their own words.
- **Vocabulary Development:** Encourage learners to identify words or phrases they are unfamiliar with. Guide them in predicting what they may mean based on the surrounding text. Learners can look up words in an online dictionary (e.g., dictionary.com) to confirm their predictions.



Digital Technology Skills

Skill and strategies related to OALCF Competency D: Use Digital Technology:

- **Searching on a web browser:** Encourage learners to use key words and the town/province name (e.g., Ontario). Direct them to look closely at the search results, and identify the source of information (e.g., an advertisement, a government website).
- **Searching within a website:** Guide learners in distinguishing between a site search box and a browser search box and using a site search box to search for information within a website.
- **Navigating between webpages:** Teach navigation strategies, such as using a breadcrumb trail to navigate between webpages within a website, using hyperlinks, and using window tabs.
- **Following hyperlinks:** Teach strategies for recognizing hyperlinks, determining when to follow hyperlinks, and getting back to the original webpage after following a hyperlink



Numeracy Skills

Skill/Strategies related to OALCF Competency C: Understand and Use Numbers

If learners attempt Task Set 3, provide practice with numeracy skills relevant to wages, such as:

- Recognizing the date in numerical format on a pay stub
- Calculating regular and overtime earnings (using a calculator)
- Calculating estimated deductions (if learners are interested in learning about rate and percent)

Learning Activities: Practitioner Notes

Facilitate learning activities prior to having learners attempt the task sets, so that learners can improve their literacy skills. This may involve providing background information on wage rights, providing practice accessing information about payment of wages, and providing practice reading pay stubs.

Below are ideas for creating learning activities to introduce or review concepts related to wages. Facilitate them as a class or a small group discussion.

Pre-reading Discussion

Prior to reading information about wages, engage learners in a discussion to activate their existing knowledge and spark interest in the topic. They can brainstorm questions they have about rights related to wages, share personal experiences related to getting paid, or set learning goals.

Deductions from Wages – EI and CPP

Discuss concepts and learner experiences related to EI premiums and CPP contributions, such as:

- **Employment Insurance (EI)**

- Employment insurance (EI) premiums are deducted from an employee's insurable earnings¹. In return, the employee has a right to EI benefits (e.g., regular, maternity, parental benefits).
- The EI premium rate and maximum annual insurable earnings amount change each year. The 2022 rate was 1.58% on earnings up to maximum of \$60,300.
- Create an exercise like the one below, where learners locate the current EI premium rate online, then calculate it on annual earnings. This can help learners understand the EI deduction, and provide practice with calculations using rates.

Earnings per year	Calculate the EI premium
30,000	\$474 (\$30,000 x 1.58%)
52,000	

- **Canada Pension Plan (CPP)**

- Canada Pension Plan (CPP) contributions are deducted from an employee's pensionable earnings². In return, the employee can collect pension payments after they turn sixty.
- The CPP contribution rate and pensionable earnings amount change each year. The 2022 rate was 5.70% on earnings up to maximum of \$64,900. The basic exemption was \$3,500. This means the worker does not pay contributions on the first \$3,500 of earnings, and does not pay contributions on earnings over \$64,900.
- Create an exercise similar to the EI exercise above, to calculate the CPP contribution.

¹ Insurable earnings are earnings on which we pay EI premiums.

² Pensionable earnings are earnings on which we make CPP contributions. Not all earnings are pensionable.

Deductions from Wages – Income Tax

Discuss key concepts and learner experiences related to income tax, such as:

- **Why we pay income tax:** Employers deduct income tax from an employee's pay on behalf of the Government of Canada and the Government of Ontario. The income tax helps to pay for services in Canada.
- **Income tax return:** An annual income tax return is necessary. It reports income earned and income tax paid. If too little tax was deducted, you will owe additional tax. If too much income tax was deducted, you will get a refund.
- **Progressive tax system:** Canada has a "progressive" or "graduated" tax system. We pay higher income tax rates as our income increases. This system eases the burden on those who have lower incomes.

The tax rates for each income bracket change slightly each year. You can create an exercise in which learners locate the current income tax rates online (e.g., by using the search terms *personal income tax rates Canada*), then complete a table with the tax rates (similar to the one below for 2022).

Federal income tax rates for: 2022

<u>15 %</u>	on the first <u>\$50,197</u> of taxable income	<i>plus</i>
<u>20.5 %</u>	on the next <u>\$50,195</u> of taxable income	<i>plus</i>
<u>26 %</u>	on the next <u>\$55,233</u> of taxable income	

PLUS

Ontario income tax rates for: 2022

<u>5.05 %</u>	on the first <u>\$46,226</u> of taxable income	<i>plus</i>
<u>9.15%</u>	on taxable income that is more than \$46,226 but not more than \$92,454	<i>plus</i>
<u>11.16%</u>	on taxable income that is more than \$92,454 but not more than \$150,000	



Teaching Resource

Understanding Taxes

The CRA (Canada Revenue Agency) has free educational resources on income tax. Self-paced modules include learning about taxes, why we need taxes, and Tax 101.

www.canada.ca/en/revenue-agency/services/tax/individuals/educational-programs.html

Reading a Wage Statement

- **Reading Dates**

Dates on a pay statement are often in numeric form. It's a good idea to ensure learners can read them. You can create an exercise like the one below to provide practice with various date formats.

Write today's date in the following formats:

DD/MM/YYYY _____

MM/DD/YYYY _____

YYYY/DD/MM _____

- **Key Vocabulary Related to Wage Statements**

Ensure learners understand key vocabulary related to wages and pay statements, such as: vacation pay, statutory deductions, pay period, outstanding wages, wage, rate, earnings, wage statement (or pay stub), gross earnings, net earnings, YTD (year to date).

- **Identifying items on a Wage Statement**

Provide exercises to familiarize learners with items on a wage statement. For example, learners can refer to a wage statement, and identify the items below. Two wage statements are provided on the next page.

Employer: _____

Employee: _____

Start of pay period: _____

End of pay period: _____

Gross earnings for pay period: _____

Pay rate: _____

Income tax paid for this pay period: _____

Canada Pension Plan contribution: _____

Employment Insurance premiums: _____

Net pay: _____

Sample Wage Statement 1

Wild World Gardens
1298 Curb Rd, Kitchener ON

Date: **23/05/2020**
Pay Period: **26/04/2020 – 09/05/2020**

Employee: Maria Elva, 84 Jones Rd, Kitchener ON

EARNINGS				
	HOURS	RATE	CURRENT PERIOD	YTD AMOUNT
Hourly rate Reg.	40.50	18.00	729.00	5,832.00

DEDUCTIONS			
		CURRENT PERIOD	YTD AMOUNT
CPP – employee		-37.18	297.44
EI – employee		-11.52	92.16
Income tax		-142.16	1,137.20
TOTAL:		-190.86	

Net Pay	\$538.15
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Sample Wage Statement 2

Joseph Edge					DATE: 2021/05/05		
					PAY PERIOD: 2021/03/15 TO 2021/03/29		
EARNINGS					DEDUCTIONS		
	Hours	Rate	Current	YTD		CURRENT	YTD
Regular Pay	25	19.50/hr	487.50	3059.00	EI	7.70	48.33
					CPP	25.57	160.60
					Income Tax	97.40	619
SUMMARY							
GROSS EARNINGS			DEDUCTIONS			NET PAY	
487.50			130.67			356.83	

Learning Activity: Introducing Your Guide to the ESA

Watch this two-minute video about how to find and use **Your Guide to the Employment Standards Act**. <https://vimeo.com/448907830/7f28d5586d>

Answer the questions below.

1. Fill in the blanks. Use the words in the box.

There's a law that protects most worker's _____ in _____ . It's called the _____ .

Click on the _____ to see all the topics in the Guide.

- Table of contents
- Employment Standards Act
- rights
- Ontario

2. Locate **Your Guide to the Employment Standards Act** online. Follow the steps in the video to find it. Click on the Table of contents. Click on the Table of Contents again. What happens?

3. What is the **first** topic in the table of contents? What is the **final** topic? Write the topics below.

4. Find "Payment of wages" in the Table of Contents and select it. List the five sub-topics that are on the "Payment of Wages" webpage. The first one is done for you. Then select "Minimum Wage" from the table of contents. List its five sub-topics.

Payment of Wages	Minimum Wage
1 <u>How wages (including vacation pay) are paid</u>	1 _____
2 _____	2 _____
3 _____	3 _____
4 _____	4 _____
5 _____	5 _____

Task Set 1

TITLE: Locate and identify information about **Minimum Wage** rights.

Access *Your Guide to the Employment Standards Act* online. Locate and scan the **Minimum Wage** webpage. Answer the questions.

1. Every worker in Ontario must receive the minimum wage. Circle the correct answer.
 - a) True
 - b) False

2. Look at the minimum wage chart. What is the **current** general minimum wage?

3. Look at the minimum wage chart. What is the **current** homeworkers minimum wage?

4. Under the Employment Standards Act, which people can be described as “homeworkers”? Choose **two** correct answers.

- a) A “live in” housekeeper
- b) An online researcher working from home
- c) A telephone solicitor working at a call centre
- d) A person sewing in their home for a local dress shop

5. Bill is a 17-year old student. He works 10 hours per week, and earns \$12.80 per hour. Bill asked you if his employer is paying him at least the minimum wage. What would you tell Bill? Support your answer with information from ***Your Guide to the Employment Standards Act.***

6. In general, what will happen when someone reports to work for their regular shift, but is sent home? Choose the correct answer.
 - a) They will be paid for a full day
 - b) They will be paid at least 3 hours if their shift is normally more than 3 hours long
 - c) They will be paid nothing if they are a student

Task Set 1: Answer Sheet

TITLE: Locate and identify information about **Minimum Wage** rights.

Access [Your Guide to the Employment Standards Act](#) online. Locate and scan the **Minimum Wage** topic, and answer the questions.

1. Every worker in Ontario must receive the minimum wage. Circle the correct answer. **(1 point)**

b-False (most employees are eligible for minimum wage. Some employees have jobs that are exempt)

2. Look at the minimum wage chart. What is the **current** general minimum wage? **(1 point)**

For the correct answer, check the current general minimum wage.

3. Look at the minimum wage chart. What is the **current** homeworkers minimum wage? **(1 point)**

For the correct answer, check the current homeworkers minimum wage.

4. Under the Employment Standards Act, which people can be described as “homeworkers”? Choose **two** correct answers. **(2 points)**

b-An online researcher working from home

d-A person sewing in their home for a local dress shop

**Note: a "live-in" housekeeper would be considered a domestic worker rather than homeworker, as they work in an employer's home*

5. Bill is a 17-year old student. He works about 10 hours per week, and earns \$12.80 per hour. Bill asked you if his employer is paying him at least the minimum wage. What would you tell Bill? Support your answer with information from *Your Guide to the Employment Standards Act*. **(2 points)**

Learners do not need to answer in complete sentences. They should indicate that the employer is NOT paying Bill the minimum wage. Although the minimum wage is lower for students under the age of 18, the rate is still below the student minimum wage rate.

6. In general, what will happen when someone reports to work for their regular shift, but is sent home? Choose the correct answer. **(1 point)**

b-Will be paid a minimum 3 hours if their shift is normally more than 3 hours long

Success: at least 6 out of 8 points.

Task Set 2

TITLE: Locate and Identify information about **payment of wages** rights

Access **Your Guide to the Employment Standards Act** online. Locate and scan the *Payment of Wages* webpage. Answer the questions.

1. An employer must set up a regular pay day for workers.

- a) True
- b) False

2. List at least two ways employers can pay workers.

3. When a worker's job ends, when must the employer pay outstanding wages?

4. List at least three items that **MUST** appear on a worker's wage statement (or a pay stub).

5. List three statutory deductions that employers must subtract from a worker's pay.

6. Bill's employer pays him in cash every Friday. According to the Employment Standards Act, in addition to Bill's pay, the employer must **ALSO** provide Bill with (select the correct answer):

- a) Severance pay
- b) Direct deposit into Bill's bank account
- c) A wage statement or pay stub
- d) A court order

Task Set 2: Answer Sheet

TITLE: Locate and Identify information about **payment of wages** rights

Access [Your Guide to the Employment Standards Act](#) online. Locate and scan the *Payment of Wages* webpage. Answer the questions.

1. An employer must set up a regular pay day for workers. (select the correct answer). **(1 point)**

a-True

2. List at least two ways employers can pay workers. **(2 points)**

Learners do not need to answer in complete sentences, must indicate at least two of: By cash, by cheque, by direct deposit into the employee's bank account

3. When a worker's job ends, when must the employer pay outstanding wages? **(2 points)**

*Learners do not need to answer in complete sentences, must indicate the following:
No later than 7 days after employment ends, or on the employee's next regular pay day*

4. List at least three items that **MUST** appear on a worker's wage statement (or a pay stub). **(3 points)**

Learners do not need to answer in complete sentences, must indicate at least three of the following:

- the pay period for which the wages are being paid*
- the wage rate, if there is one*
- the gross amount of wages*
- the amount and purpose of each deduction*
- any amounts that were paid in respect of room or board*
- the net amount of wages.*

5. List three statutory deductions that employers must subtract from a worker's pay. **(3 points)**

Learners do not need to answer in complete sentences, must indicate: income taxes, employment insurance premiums and Canada Pension Plan contributions.

6. Bill's employer pays him in cash every Friday. According to the Employment Standards Act, in addition Bill's pay, the employer must **ALSO** provide Bill with (select the correct answer): **(1 point)**

c-a wage statement or pay stub

Success: at least 9 out of 12 points

Task Set 3

TITLE: Get information from a **wage statement** (or pay stub).

NOTE: Allow use of a calculator; ensure learner has had sufficient practice making the required calculations; only use this task set if it is relevant to learner needs.

Amy Muller					DATE: 2020/04/04		
					PAY PERIOD: 2020/03/14 TO 2020/03/28		
EARNINGS					DEDUCTIONS		
	Hours	Rate	Current	YTD		CURRENT	YTD
Regular Pay	80	16/hr	1,280.00	6,400	EI	20.22	101.10
					CPP	65.28	326.40
					Income Tax	262.40	1,312.00
SUMMARY							
GROSS EARNINGS			DEDUCTIONS			NET PAY	
1,280.00						932.10	

- What time period is covered by this pay stub? (write the month, day and year of the beginning and end of the pay period)

- What are Amy's year-to-date gross earnings? _____
- How much does Amy earn per hour? _____
- What are Amy's earnings, after deductions, for this pay period? _____
- What is the total deduction amount that was subtracted from Amy's gross earnings for this pay period?

- Amy must pay EI premiums on her earnings. Based on the EI deduction for **this** pay period, what is the EI premium rate for employees? (circle the correct answer)
 - 1.58%
 - 2.48%
 - 5.25%
- During the next pay period, Amy worked 88 hours at regular pay, and 7 hours of overtime (earning 1.5 times her regular wage). How much will her gross earnings be on that pay stub?

Task Set 3: Answer Sheet

TITLE: Get information from a statement of wages (**pay stub**).

1. What time period is covered by this pay stub? (identify the month, day and year of the beginning and end of the pay period) **(2 points)**

From March 14, 2020 to March 28, 2020.

3. What are Amy's year-to-date gross earnings? \$6,400 **(1 point)**

4. How much does Amy earn per hour? \$16 per hour **(1 point)**

5. What are Amy's earnings, after deductions, for this pay period? \$932.10 **(1 point)**

6. What is the total deduction amount that was subtracted from Amy's gross earnings for this pay period? **(2 points: 1 for including all the numbers; 1 point for the correct answer)**

\$347.90 (explanation: $20.22 + 65.28 + 262.40 = \347.90)

7. Amy must pay EI premiums on her earnings. Based on the EI deduction for **this** pay period, what is the EI premium rate for employees? (circle the correct answer) **(2 points)**

a-1.58% (explanation: $\text{gross pay} \times .0158 = \text{the EI deduction listed on the pay stub}$)

8. During the next pay period, Amy worked 88 hours at regular pay, and 7 hours of overtime (earning 1.5 times her regular wage). How much will her gross earnings be on that pay stub? **(3 points)**

\$1576 (explanation: for regular pay: $88 \text{ hrs} \times \$16 = \1408 ; for overtime: $7 \text{ hrs} \times \$24 = \168 ; regular pay + overtime pay = \$1576)

Success: at least 9 out of 12 points

OALCF Task Cover Sheet

TITLE:	☐ Task set 1: Locate and identify information about minimum wage rights ☐ Task Set 2: Locate and identify information about payment of wages rights ☐ Task Set 3: Get information from a statement of wages /pay stub.	
Learner Name:	_____	
Date started:	_____	Date completed: _____
		Successful Completion: ☐ YES ☐ NO
Goal Path: ☐ Employment ☐ Apprenticeship ☐ Secondary School ☐ Post Secondary ☐ Independence		
Competency	Task Group	Level Indicator
For Task Set 1, 2		
A: Find and Use Information	A1: Read Continuous Text	A1.2 Read texts to locate and connect ideas and information
D. Use Digital Technology	N/A	D.2 Perform well-defined, multi-step digital tasks
For Task Set 3		
A: Find and Use Information	A2: Interpret Documents	A2.2 Interpret simple documents to locate and connect information
C. Understand and use Numbers	C1. Manage Money	C1.2 Make low-level inferences to calculate costs and expenses that may include rates such as taxes and discounts
For Performance Descriptors for each Level Indicator, see Task Performance form, on next page		
Materials Required: ☐ Pen and task sheets ☐ Digital device and Internet connectivity (for task sets 1 and 2 only) ☐ Calculator (for task set 3)		

Task Performance Form

TITLE:	☐ Task set 1: Locate and Identify information about minimum wage rights ☐ Task Set 2: Locate and Identify information about payment of wages rights ☐ Task Set 3: Get information from a statement of wages (pay stub).
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	Needs Work	Completes task with support from practitioner	Completes task independ- ently
Performance indicators:			
Task Set 1 or 2	↓	↓	↓
A1.2 • Makes connections between sentences and between paragraphs in a single text	☐	☐	☐
• Scans text to locate information	☐	☐	☐
• Uses layout to locate information	☐	☐	☐
• Begins to identify sources and evaluate information	☐	☐	☐
D.2 • Selects and follows appropriate steps to complete tasks	☐	☐	☐
• Performs simple searches using keywords	☐	☐	☐
Task Set 3			
A2.2 • Extracts information from tables and forms	☐	☐	☐
• Uses layout to locate information	☐	☐	☐
• Makes low-level inferences	☐	☐	☐
C1.2 • Calculates percentages	☐	☐	☐
• Chooses and performs required operation(s); may make inferences to identify required operation(s)	☐	☐	☐
• Selects appropriate steps to reach solutions	☐	☐	☐

This task: ☐ was successfully completed ☐ needs to be tried again

Learner Comments:

Instructor (print)

Learner signature