

Project Title: The Cost of a Pay Cut

Materials Needed:

Internet Access / Paper / Pen or Pencil



Introduction – Background Information

What happens if I have to take a cut in pay? Most people work a five-day week and an average of 20 days per month. When the governor of California asked employees to take two days off per month without pay, a person might say, “Well two days won’t really matter.” Is that true? To really know, you need to analyze a little further.

Calculate a Cut in Pay

Identify an annual salary. Use the salary for someone you know or one that you find for a job that interests you. Go to the [Income Calculator](#) website and follow the directions using the Yearly format. Enter the amount in the box, but don’t use commas in the numbers you enter. Then follow the instructions to find total weekly net pay. Calculate how much a person’s monthly take-home pay would be reduced by not working two days per month. Then find the total annual reduction in pay.