

Pay Changes

YOUR LEGAL RIGHTS

1. Can my employer take away a raise promised to me or reduce my wage without my consent?

Generally, yes. As long as you are paid above the minimum wage, your employer normally can pay you whatever it wants or make changes to your rate of pay. Under most circumstances, an employer can decrease your wage or take away your raise at any time, even if you object to the change. All the employer has to do is tell you ahead of time that it is going to pay you less. You can try to negotiate with your employer, but if you continue to work after being told (either verbally or in writing) that your pay was changing, you will most likely have accepted the new wage. **However, there is an important exception if you have an employment contract for a specific time.** If your employer told you, either verbally or in writing, that you would be paid a certain wage (including a raise) for a certain amount of time, he created an enforceable **contract**. Your employer must abide by the terms of that contract by paying you that wage for that entire time period. Once the time period ends, however, your contract for the specified wage also ends. At that point, your employer is again free to reduce your wage.

There normally is nothing illegal about quitting a job because your employer reduces your pay, but there are often consequences to quitting. You may not be eligible for unemployment benefits, but that will depend on the amount of the reduction in your wage and your attempts to work it out with your employer. (For more information about unemployment benefits, see our Fact Sheet titled “**Unemployment Insurance Benefits: An Overview.**”) There is also a chance your employer will give you a bad reference.

2. Can my employer reduce my pay for work that I have already done?

No. Your employer must pay you your promised wage for work you have already done. Your employer may be able to reduce your wage for future work (see above) but he cannot look back and reduce your pay for past work.

Example: You are hired at \$10 per hour and you work for two days. On the third day, your employer tells you he is only going to pay you \$8 per hour. While he can probably reduce your wage for future work, he still must pay you at \$10 per hour for the work you did before he told you that your wages would be lowered.

3. What steps can I take if my employer illegally attempts to lower my wage?

If your employer reduces your wage in violation of your contract for a specific time and refuses to remedy the situation, you normally can file a claim with the California Labor Commissioner. Likewise, if your employer reduces your pay for work you have already done and refuses to make up the difference, you can file a claim with the California Labor Commissioner to recover the wages you should have been paid.

This fact sheet is intended to provide accurate, general information regarding legal rights relating to employment in California. Yet because laws and legal procedures are subject to frequent change and differing interpretations, the Legal Aid Society - Employment Law Center cannot ensure the information in this fact sheet is current nor be responsible for any use to which it is put. Do not rely on this information without consulting an attorney or the appropriate agency about your rights in your particular situation.

For further information about your employment rights, please call:

The Workers' Rights Clinic

415-864-8208 (SF Bay Area) or **866-864-8208** (Toll Free in CA)

The Workers' Rights Clinic is a project of The Legal Aid Society - Employment Law Center, a non-profit organization focusing on the employment-related legal rights of low-income workers and providing free legal information on a wide range of employment-related problems.

