



DESIGN GROUP International™



Depth Perception

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Subsidizing your employer: a bad deal bad for everyone

In an era of stringing several jobs together to make ends meet, people—especially those new to the workforce—can end up subsidizing their employment. Here is an actual example with names and identifying details changed. It is written as a letter from parent to their young adult child. It is just one example of the need to become personally and corporately economically savvy, responsible and sustainable. Thank you [Lorie L. Vincent](#) for doing the math.

Dear _____

Here is the math for the working with a San Juarez client for 1.5 hours at the various rates of the pay grade:

52 miles round trip from Port Thomas to San Juarez. The cost of that at the IRS mileage rate of \$.565 per mile is: \$29.38, an amount for which your employer does not reimburse you. Pay for the 1.5 hours is: 1st hour: \$11.50, 1/2 hour: \$6.00. Total Gross pay is: \$17.50. After taxes, you would receive something more like \$13.50, thus COSTING you \$16.00 to work that shift. This does not even take into consideration the 1+ hours of driving back and forth you are also not compensated for. Even if you only calculated gas, it would cost about \$8.00 taking your pay to \$9.50 before taxes. The overage on your auto lease allotted miles per month for this distance is also going to be a problem in the long run.

Even driving 20 miles round trip costs you: $20 \text{ miles} \times .565 = \11.30 at the IRS rate. Each time you work just two hours, even at the highest rate of \$12.00 per hour for 2 hours you earn: \$20.40 after taxes. If you subtract the \$11.30 from \$20.40, you take home just \$9.10 per evening. Again this does not take into consideration the overage on your miles doing this four nights per week, Monday-Thursday or the time it takes to commute. When you add the cost of getting to work, not to mention the time commuting, you only bring home about \$36 per week for the Monday-Thursday shifts you were doing until last week. You spend more than that eating supper out en route to work instead of staying home for the evening.

I would suggest you talk to your employer about 8 hour shifts on the Saturday and Sundays you work and nothing during the week. If you worked only weekends but all day you will come out better financially than you are now. You really aren't earning "extra money" Monday-Thursday after you pay the cost of what working those hours means. I suggest you send them an email with these calculations and let them know you will be contacting them to work out a better schedule.

I love your heart for people and that makes me so proud. I also don't want you to continue to be taken advantage of by actually having to spend money to work.

Love,

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