



Date: March 29, 2019

To: Management and Labor Advisory Committee (MLAC)

From: Katie Bruns, Return to Work Policy Analyst

Subject: Seasonal workers and earned income

- 1. You asked how a seasonal/temporary worker's weekly wage is calculated for the purpose of determining a suitable wage under the vocational assistance rules, and if the changes being discussed for suitable wage would impact their eligibility differently.**

A seasonal or temporary worker's wage is based on an average of earned income and unemployment benefits. Earned income includes: gross wages, salary, tips, commissions, incentive pay, bonuses, and the reasonable value of other considerations. Earned income also means gross earnings from self-employment.

Compared to calculating a permanent worker's wages, there are a differences for calculating a seasonal or temporary worker's weekly wage. For example, the number of jobs held at the time of injury and whether or not the worker received unemployment benefits in the 52 weeks prior to the date of injury. Regardless if the worker is seasonal or permanent, the calculation is still an averaging method.

A change in what may be considered a suitable wage under the vocational statute for eligibility purposes wouldn't change how a seasonal/temporary worker's average weekly wage is calculated. The change would not impact a seasonal/temporary worker's eligibility any more than a permanent worker.

Example: Mr. Jones was employed as a seasonal clerk at the time of injury. He worked for seven weeks earning a total of \$2,900. Prior to that employment, Mr. Jones received \$3,300 in unemployment benefits for 10 weeks.

Combine Mr. Jones' earned income with his unemployment benefits:

\$2,900

\$3,300

\$6,200

Divide the total earned income (\$6,200) by the total number of weeks (17)

$\$6,200 / 17 \text{ weeks} = \$364.71 \text{ weekly wage}$

2. You had asked SAIF to provide examples of wage calculation. I have included a chart with some examples of hourly wage and the 80% calculation as well . I also included the minimum wage currently in Oregon and the increase over the next few years.

Oregon min. wage (Portland)	Oregon min. wage (Standard)	Oregon min. wage (Non-urban)	Year (changes July 1)
\$12.00	\$10.75	\$10.50	current
\$12.50	\$11.25	\$11.00	2019
\$13.25	\$12.00	\$11.50	2020
\$14.00	\$12.75	\$12.00	2021
\$14.75	\$13.50	\$12.50	2022

Hourly wage	Suitable wage
\$12.00	\$9.60
\$12.50	\$10.00
\$14.00	\$11.20
\$16.00	\$12.80
\$18.00	\$14.40