

# EMPLOYEE RIGHTS ON GOVERNMENT CONTRACTS

**THIS ESTABLISHMENT IS PERFORMING GOVERNMENT CONTRACT WORK  
(CHECK ONE)**

**SERVICE CONTRACT ACT**

**PUBLIC CONTRACTS ACT**

## **MINIMUM WAGES**

Your rate must be no less than the federal minimum established by the Fair Labor Standards Act (FLSA).

A higher rate may be required for SCA contracts if a determination applies. Such wage determination will be an attachment to this notice.

## **FRINGE BENEFITS**

SCA wage determinations may require fringe benefits (cash equivalent). PCA contracts do not require fringe benefits.

## **OVERTIME PAY**

You must be paid 1.5 times your basic rate of pay for hours worked over 40 in a week. There are some exceptions.

## **CHILD LABOR**

No person under 16 years of age may be employed on a government contract.

## **SAFETY & HEALTH**

Work must be performed under conditions that are not hazardous or dangerous to employees' health and safety.

# U.S. DEPARTMENT OF LABOR

The purpose of the discussion below is to advise contractors which are subject to the Walsh-Healey Public Contracts Act or the principal provisions of these acts.

## WALSH-HEALEY PUBLIC CONTRACTS ACT

**General Provisions**—This act applies to contracts which exceed or may exceed \$10,000 entered into by the instrumentality of the United States for the manufacture or furnishing of materials, supplies, articles, or equipment. It establishes minimum wage, maximum hours, and safety and health standards for work on such contracts. Employment on contract work of convict labor (unless certain conditions are met) and children under 16 years of age, and employment of homeworkers (except homeworkers with disabilities employed under the provisions of Regulation 525) on a covered contract is not permitted.

In addition to its coverage of prime contractors, the act under certain circumstances applies to secondary contractors performing work under contracts awarded by the Government prime contractor.

All provisions of the act except the safety and health requirements are administered by the Wage and Hour Division.

**Minimum Wage**—Covered employees must currently be paid not less than the Federal minimum wage established in section 6(a)(1) of the Fair Labor Standards Act.

**Overtime**—Covered workers must be paid at least one and one-half times their basic rate of pay for all hours worked in excess of 40 a week. Overtime is due on the basis of the total hours spent in all work, Government and non-Government, during the employee in any week in which covered work is performed.

**Child Labor**—Employers may protect themselves against unintentional child labor violations by obtaining State employment or age certificates are acceptable.

**Safety and Health**—No covered work may be performed in plants, factories, buildings, or surroundings where the conditions that are unsanitary or hazardous or dangerous to the health and safety of the employees engaged in the performance of the contract. The safety and health provisions of the Walsh-Healey Public Contracts Act are administered by the Occupational Safety and Health Administration.

**Posting**—During the period that covered work is being performed on a contract subject to the act, the contractor must post copies of Notice to Employees Working on Government Contracts in a sufficient number of places to permit every employee to observe a copy on the way to or from their place of employment.

**Responsibility for Secondary Contractors**—Prime contractors are liable for violations of the act committed by their secondary contractors.

## SERVICE CONTRACT ACT

**General Provisions**—The Service Contract Act applies to every contract entered into by the United States Government in Washington, Columbia, the principal purpose of which is to furnish services in the United States through the use of service contracts. Contractors and subcontractors performing on such Federal contracts must observe minimum wage and maximum hours standards, and must maintain certain records, unless a specific exemption applies.

**Wages and Fringe Benefits**—Every service employee performing any of the Government contract work on a contract in excess of \$2,500 must be paid not less than the monetary wages, and must be furnished the fringe benefits, as determined by the Secretary of Labor to be prevailing in the locality for the classification in which the employee is working, or the wage rates and fringe benefits (including any accrued or prospective wage rates and fringe benefits) established in the predecessor contractor's collective bargaining agreement. The wage rates and fringe benefits required are those established in the contract but in no case may employees doing work necessary for the performance of the contract be paid less than the minimum wage established in section 6(a)(1) of the Fair Labor Standards Act. Service contracts which do not subject to prevailing rate determinations or to the safety and health requirements of the act. However, employees performing work on such contracts be paid not less than the minimum wage rate established in section 6(a)(1) of the Fair Labor Standards Act.