

Overtime pay proposal triggers wage debate

By Marilyn Geewax, KQED-TV

On Thursday, President Obama rolled out his plan for strengthening overtime pay protections for millions of workers. In his view, if more workers got fatter paychecks, they could spend more and stimulate the economy.

But if his critics are right, then employers would end up laying off workers to make up for the higher wage costs. And that would hurt the already painfully slow recovery.

Which scenario is right?

Economists are divided. Some say the proposed changes would give the economy just what it needs: more consumer demand. Others say it would lead to exactly what the economy doesn't need: fewer jobs.

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