

1.2 Ways of Being Paid

1. Mahad visits the Bay. He is told that their salespeople earn 5% commission on all sales. Their best salespeople average \$68 000 in sales per month. Their average salespeople average \$32 000 per month.

a) Calculate how much Mahad would make in a month if he becomes one of their best salespeople.

$$\left(\frac{\$}{100}\right) \text{ Commission} = 5\% \text{ of } 68\,000$$

$$= 0.05 \times 68\,000$$

$$= \$3\,400$$

b) Calculate how much Mahad would make in a month if he is just an average salesperson.

$$\text{Commission} = 5\% \text{ of } 32\,000$$

$$= 0.05 \times 32\,000$$

$$= \$1\,600$$

paid

c) He is also offered a job at Sears where salespeople are not charged commission. He can work 168 hours in a month and earn \$11.50/hour. How much will he make in a month?

$$\text{Monthly Earnings} = \text{hours} \times \text{wage}$$

$$= 168 \times 11.50$$

d) Which job should he pick?

→ Sears → because he $= \$1\,932$
knows he will always make \$1932.

→ Bay → because he is convinced
he will be an excellent
salesperson + will be able
to make more with commission.

2. Brittany is a salesperson at Ford. She earns 2% commission and had the following sales amounts in August and September.

a) Complete the table.

	Sales Period	Sales	Commission
A	August 1 st to 15 th	\$120 000	$2\% \text{ of } 120000$
B	August 16 th to 31 st	\$98 500	$= 0.02 \times 120000$
August Total			$= 2400$ 1970 $\$ 4370$
A	September 1 st to 15 th	\$50 200	1021 1004
B	September 16 th to 30 th	\$30 850	607
September Total			1621

b) Why is Brittany's September income so different from her income in August?

Because in August they have big sales to get rid of old cars so many people make purchases.

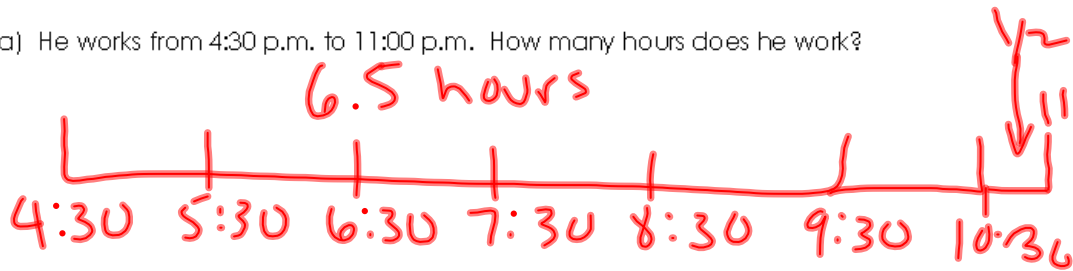
3. Adbulla works at Future Shop. He earns a base salary of \$200 per week and 4% commission on all sales.

Calculate his weekly income:

Weekly Sales	Commission Earned	Base Salary	Total Weekly Earnings
\$1,500.00	4% of 1500 = 60	200	260
\$3,000.00	120	200	320
\$3,500.00	" 140	200	340
\$6000.00	240	200	440

4. Jesse works for Pizza Pizza. He is paid \$0.75 for each call he takes.

a) He works from 4:30 p.m. to 11:00 p.m. How many hours does he work?



b) If he takes 70 calls, how much does he make?

$$\begin{aligned} \text{Earn} &= 70 \times 0.75 \\ &= 0.75 \times 70 \\ &= \$52.50 \end{aligned}$$

c) What is his average hourly wage?

$$\$52.50 / 6.5 \text{ hours}$$

$$\$8.076 / 1 \text{ hour}$$

$$\$8.08 / 1 \text{ hour}$$

d) Jesse works from 5pm to 10pm + takes 80 calls.

$$\text{Hours} = 5 \text{ hours}$$

$$\begin{aligned} \text{Money Earned} &= 80 \times 0.75 \\ &= \$60 \end{aligned}$$

Hourly Wage?

$$\begin{aligned} &\frac{\$60}{5} \rightarrow \$12 / 1 \text{ hour} \end{aligned}$$