**Salary vs. Wage Earners**

The essential difference between a salary and wages is that a salaried person is paid a fixed amount per pay check and a wage earner is paid by the hour.

For example, if a person has a $52,000 salary and he is paid once a week, then the gross amount of each of the 52 paychecks he receives during the year is $1,000 ($52,000 / 52 weeks). *The person receiving a salary is not paid a smaller amount for working fewer hours, nor is he paid more for working overtime.*

Someone who is paid wages receives a pay rate per hour, multiplied by the number of hours worked. For example, a person who is paid a wage of $20 per hour and works 40 hours a week will receive gross pay of $800 ($20/hr x 40 hours) but will only receive gross pay of $400 if they work only 20 hours ($20/hr x 20 hours). A person who receives wages is also entitled to overtime pay of 1.5x his/her normal rate of pay for every hour he/she works over the 40 hours of regular pay per week.

Calculate or answer the questions below based on the info above –

 SHOW YOUR WORK (you may use the back)!!!:

1. If you are a teacher, you are a salary worker. If you make $48,000 a year, what is your gross pay every 2 weeks? $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
2. If you work at Verizon, you make a wage. If you make $15 an hour, and you worked 35 hours over the last week, and 38 hours the week before that, how much is your pay check going to be before deductions? $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
3. If you work as a secretary, you are normally a wage earner. Let’s say you always work 40 hours a week and you make $18 an hour. How much will you make in a year? $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
4. You are a pharmacist and make $68,000 a year. How much would your monthly salary be before deductions? $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
5. If you work in a clothing store, and make $10 and hour and have worked 40 hours the first week and then 45 hours the second week, what will your pay check be after the 2 weeks, with your overtime? $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_