Unit 3 – Finance
3.5 – Gross Pay

Definitions

Wage   payment made by an employer in exchange for work or services provided

Overtime   hours worked beyond the regular hours **OR** the payment for this time

Gross pay   the total amount of money earned before taxes and deductions (also called **gross earnings**)

- many jobs, particularly entry level jobs, are paid by the hour
- the amount of money you are paid for each hour of work is called your **hourly rate**

Gross Pay = No. of Hours Worked X Hourly Rate
(always round your answers to **TWO** decimal places)

Example: Cindy's hourly rate of pay is $7.05 per hour. Compute her gross weekly wages if she worked the following hours.

Monday: $4\dfrac{1}{4}$ hours   Wednesday: $3\dfrac{3}{4}$ hours

Friday: 3 hours   Saturday: $5\dfrac{1}{4}$ hours

Overtime Pay   wages earned for all hours you work more than your regular hours.

Time-and-a-Half   hourly rate for any overtime hours is: **1.5 x regular hourly rate**

Double-Time   hourly rate for any overtime hours is: **2 x regular hourly rate**

Examples: 1. A regular hourly rate of pay is $7.75 an hour. Find the:

a) time-and-a-half hourly rate   b) double time hourly rate

2. Jill earns $8.20 an hour. If she is paid time-and-a-half for any overtime hours worked, how much will she make if she works 4.5 hours of overtime?

3. Billy's regular rate of pay is **$8.50 per hour**. He is paid **time-and-a-half** for every hour he works over 40 hours in a given week. Find his gross earnings for the week if he worked the following number of hours:

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
# of Hours	8.5	$7\frac{1}{2}$	$8\frac{1}{4}$	$10\frac{3}{4}$	7.5	6.25

4. Ken Tucky normally works 15 hours a week at the Chicken Shack. His manager asks him to work 6 hours on Canada Day. If his hourly rate is $8.10 an hour and he is paid **double time** for working on the holiday, calculate his gross weekly pay.

Assignment – Show all work on a separate sheet of paper.

1. Briefly define each of the following terms.

regular time   overtime   hourly rate   wage

gross pay   time-and-a-half   double time

2. Complete the following chart.

Regular Hourly Wage	Time-and-a-half Wage	Double Time Wage
$6.90		
$7.50		
		$13.00
	$11.00	
	$9.00	

3. Sophie works the following hours at the Class Act Clothing Store: Monday $3\frac{1}{2}$, Tuesday $4\frac{3}{4}$, Thursday $3\frac{3}{4}$ and Saturday $5\frac{1}{2}$. Find her gross weekly earnings if Sophie's hourly rate of pay is $6.95.

4. Find the gross weekly pay for each of the following employees if they are paid:

- **time-and-a-half on Saturday.**
- **double time on Sunday**.

Employee	Hours Worked							Hourly Rate
	Mon	**Tue**	**Wed**	**Thu**	**Fri**	**Sat**	**Sun**	
Alan		4		4	4			$6.80
Betty	$3\frac{1}{2}$				$4\frac{3}{4}$		5	$6.25
Colin		$3\frac{1}{4}$		$3\frac{1}{4}$		$5\frac{1}{2}$		$7.90
Diane	$5\frac{3}{4}$			$4\frac{1}{4}$		4	$4\frac{1}{4}$	$6.50
Edith		$4\frac{1}{2}$				8	$7\frac{1}{2}$	$9.15

5. Otto Mobile works at Zag's Gaz Station. He works $3\frac{1}{2}$ hours each day Monday through Friday as well as $6\frac{1}{4}$ hours on Sunday. If his hourly rate is $7.05 and he gets paid time-and-a-half on Sundays, find his gross weekly pay.

6. Mary Tydings works at UC Video. During the first week of Christmas break, she works 18 hours plus 6 hours on Christmas Day. During the second week, she works 16 hours plus $5\frac{1}{2}$ hours on New Years Day. If her regular rate of pay is $6.80 per hour and she is paid double time for Christmas and New Years Day, what is her gross pay for the two weeks?