

Name

### 3 Wages

A person can be employed to receive a weekly wage, usually paid in cash. The worker is usually paid a fixed hourly wage. To determine the basic wage, the fixed hourly wage is multiplied by the number of hours worked per week. Workers who receive wages may also be paid overtime. All workers are expected to work 40 hours per week. (This is called ordinary time) All hours exceeding 40 hours per week are regarded as overtime.

*Important:*

$$\text{Basic wage} + \text{overtime} = \text{Gross wage}$$

Gross wage – deductions = net wage

### Example

S. Radebe receives the following:

- R30 per hour for ordinary time.
- R45 per hour for overtime.

What would his gross wage be if S. Radebe works 45 hours per week?

*Solution*

$$40 \text{ hours} \times \text{R}30 \text{ per hour} = \text{R}1\,200$$
$$(45 - 40) 5 \text{ hours} \times \text{R}45 \text{ per hour} = \text{R } 225$$

Gross wage = R1 425

## Activity 2

M. Fourie receives the following:

- R50 per hour for ordinary time.
- R75 per hour for overtime.

### Question

Monday is a public holiday. M. Fourie worked 43 hours during the week. Calculate his gross wage for the week.