THINK CRITICALLY

Handwrite	your responses	in the space	below: 2	sentences	each.

1.	How do wages differ from salary?
2.	Name common payroll taxes encountered by workers and employers.
3.	Which compensation method is used in a factory that pays workers an hourly rate? a. wages b. salary c. piece rate d. commission
4.	True or False?Employee benefits are considered to be indirect compensation.
5.	An example of a voluntary payroll deduction is a. federal income tax b. Medicare c. savings account deposit d. Social Security
6.	True or False? In most states, taxes for unemployment insurance are deducted from a worker's pay.
7.	Indirect compensation includes a. commission b. employee discounts

TEAMWORK

c. overtime payd. wages and salary

Discuss in pairs or small groups and then write your conclusions below.

8. In your team, prepare a list of the benefits and limitations of hourly wages compared to a weekly or monthly salary. Consider this issue from the perspective of both the worker and the company.