

Find out what commission is and what a salary is.

1. Write definitions, illustrating them with examples, for the two underlined terms.
2. Many sales people receive a percentage of the value of their sales as commission. Some work on a commission-only basis, and others are paid a fixed amount plus a commission on sales.

A real estate agent has to decide between two jobs. The first one offers a salary of \$300.00 a week plus 5% commission and the second offers \$600.00 a week plus 2% commission. The real estate agent estimates that he will sell a minimum of \$1,000,000 of real estate in one year. Which job would give him the most money?

Investigate this situation and write up a recommendation explaining your reasons carefully.