

6. Examples: restaurant server, hairdresser, and dog walker.
7. The general rule is overtime after 48 h; overtime pay is equal to time-and-a-half.
8. Example: I would choose Job 2, because there is the potential to earn as much as the other two jobs, or more, with tips.

6. a) \$829.19, \$2010
b) Example: People with a higher gross pay also pay a larger amount in deductions.
7. a) 17th pay
b) September 15
8. a) \$1260
b) \$1260
c) \$23.70
d) \$206.05
e) \$1236.30
9. a) \$4913.41
b) \$3178.29, \$2552.32
c) \$26 495.98

FM.4 Net Pay, pages 44–55

Example 1

Check Your Understanding

1. a) \$1237.08
b) \$2429.17
2. a) \$756.06
b) \$404.62
3. a) \$2401.60
b) \$1055.86
4. a) \$1411.74
b) \$21 491.73
5. a) \$5280.00
b) \$6270.00
c) \$2045.52
d) \$704.08
e) \$4224.48

Example 2

Check Your Understanding

1. a) \$931.59
b) \$944.96
2. a) \$419.62
b) \$424.69
3. a) \$3347.99, \$1961.92
b) \$3388.50, \$1985.66
4. a) \$18 381.47
b) \$18 573.21
5. a)

10. Example: Yes, Jessica's estimate is reasonable because there are 16 hundreds in \$1625.40, and 4×16 is \$64.
11. Example: No, I don't agree with Kyle's thinking. He should start by calculating 15% of \$43 561 and 22% of the balance. That will give him the amount of federal income tax on his gross income. Then, he should consider his income tax credits. He has an automatic federal income tax credit of \$11 038. He should add his CPP and EI payments to the federal income tax credit, and then calculate 15% of that amount. He should subtract this calculation from the tax calculation on his gross pay. That's what he will pay in federal income tax, unless he has other deductions, such as RRSP contributions, medical coverage, or union dues.

Work With It

1. a) \$31 140
b) \$24548.64
c)

Employer's name – Nom de l'employeur Bayshore Florists 100 Daffodil Way, Greenhouse, Nova Scotia B0C 1G2		Canada Revenue Agency Agence du revenu du Canada Year / Année: 2013	T4 STATEMENT OF REMUNERATION PAID ÉTAT DE LA RÉMUNÉRATION PAYÉE
54 Payroll account number / Numéro de compte de retenues Social insurance number / Numéro d'assurance sociale 555 444 444	Province of employment / Province d'emploi 10	Employment income – line 101 / Revenu d'emploi – ligne 101 14 \$22 319.96	Income tax deducted – line 437 / Impôt sur le revenu retenu – ligne 437 22 \$2587.28
Exempt – Exemption CPP/QPP EI PPIP 28	Employment code / Code d'emploi 29	Employee's CPP contributions – line 308 / Cotisations de l'employé au RPC – ligne 308 16 \$931.59	EI insurable earnings / Gains assurables d'AE 24
Employee's name and address – Nom et adresse de l'employé Last name (in capital letters) – Nom de famille (en lettres majuscules) First name – Prénom Initial – Initiale Mariette Archibald 713 Lilac Valley, Tulip, Nova Scotia B0C 1G2		Employee's CPP contributions – line 308 / Cotisations de l'employé au RPC – ligne 308 17 \$419.62	CPP/QPP pensionable earnings / Gains ouvrant droit à pension – RPC/RRCR 26
		Employee's EI premiums – line 312 / Cotisations de l'employé à l'AE – ligne 312 18 \$419.62	Union dues – line 212 / Cotisations syndicales – ligne 212 44
		RPP contributions – line 207 / Cotisations à un RPA – ligne 207 20	Charitable donations – line 349 / Dons de bienfaisance – ligne 349 46
		Pension adjustment – line 208 / Facteur d'ajustement – ligne 208 20	RPP or DRESP registration number / N° d'ajustement d'un RPA ou d'un DRESP 20

b)

Employer's name – Nom de l'employeur Seafood Dinners 205 Lobster Trail, Seaside, Nova Scotia B0C 1G3		Canada Revenue Agency Agence du revenu du Canada Year / Année: 2013	T4 STATEMENT OF REMUNERATION PAID ÉTAT DE LA RÉMUNÉRATION PAYÉE
54 Payroll account number / Numéro de compte de retenues Social insurance number / Numéro d'assurance sociale 555 555 444	Province of employment / Province d'emploi 10	Employment income – line 101 / Revenu d'emploi – ligne 101 14 \$22 590.00	Income tax deducted – line 437 / Impôt sur le revenu retenu – ligne 437 22 \$2647.14
Exempt – Exemption CPP/QPP EI PPIP 28	Employment code / Code d'emploi 29	Employee's CPP contributions – line 308 / Cotisations de l'employé au RPC – ligne 308 16 \$944.96	EI insurable earnings / Gains assurables d'AE 24
Employee's name and address – Nom et adresse de l'employé Last name (in capital letters) – Nom de famille (en lettres majuscules) First name – Prénom Initial – Initiale Bob Butcher RR #4, Lobster, Nova Scotia B0C 1G3		Employee's CPP contributions – line 308 / Cotisations de l'employé au RPC – ligne 308 17 \$424.69	CPP/QPP pensionable earnings / Gains ouvrant droit à pension – RPC/RRCR 26
		Employee's EI premiums – line 312 / Cotisations de l'employé à l'AE – ligne 312 18 \$424.69	Union dues – line 212 / Cotisations syndicales – ligne 212 44
		RPP contributions – line 207 / Cotisations à un RPA – ligne 207 20	Charitable donations – line 349 / Dons de bienfaisance – ligne 349 46
		Pension adjustment – line 208 / Facteur d'ajustement – ligne 208 20	RPP or DRESP registration number / N° d'ajustement d'un RPA ou d'un DRESP 20

Employer's name – Nom de l'employeur Fundy Electronics 273 Bayshore Road, Tantramar, Nova Scotia B0C 1G6		Canada Revenue Agency Agence du revenu du Canada Year / Année: 2013	T4 STATEMENT OF REMUNERATION PAID ÉTAT DE LA RÉMUNÉRATION PAYÉE
54 Payroll account number / Numéro de compte de retenues Social insurance number / Numéro d'assurance sociale 555 444 666	Province of employment / Province d'emploi 10	Employment income – line 101 / Revenu d'emploi – ligne 101 14 \$31 140.00	Income tax deducted – line 437 / Impôt sur le revenu retenu – ligne 437 22 \$4637.75
Exempt – Exemption CPP/QPP EI PPIP 28	Employment code / Code d'emploi 29	Employee's CPP contributions – line 308 / Cotisations de l'employé au RPC – ligne 308 16 \$1368.18	EI insurable earnings / Gains assurables d'AE 24
Employee's name and address – Nom et adresse de l'employé Last name (in capital letters) – Nom de famille (en lettres majuscules) First name – Prénom Initial – Initiale Chantal Patruquin 71 Playback Place, Tantramar, Nova Scotia B0C 1G6		Employee's CPP contributions – line 308 / Cotisations de l'employé au RPC – ligne 308 17 \$585.43	CPP/QPP pensionable earnings / Gains ouvrant droit à pension – RPC/RRCR 26
		Employee's EI premiums – line 312 / Cotisations de l'employé à l'AE – ligne 312 18 \$585.43	Union dues – line 212 / Cotisations syndicales – ligne 212 44
		RPP contributions – line 207 / Cotisations à un RPA – ligne 207 20	Charitable donations – line 349 / Dons de bienfaisance – ligne 349 46
		Pension adjustment – line 208 / Facteur d'ajustement – ligne 208 20	RPP or DRESP registration number / N° d'ajustement d'un RPA ou d'un DRESP 20

2. \$1837.70

3. a) \$31 907.20 b) \$25 046.13
4. \$16 455.40
5. a) \$4889.29
b) \$1432.93, \$610.02, \$4889.29
c) \$25 015.76
6. a) \$2089.80 b) \$459.05
c) \$2978.22
7. Example: *Deductions* are amounts that are subtracted from gross pay for such things as taxes, Canada Pension Plan (CPP), Employment Insurance (EI), union dues, and insurance. *Net pay* is gross pay minus deductions. This is also called take-home pay.
8. Li is correct. Darren got the incorrect answer because he forgot to subtract \$3500 from the gross income before calculating CPP.
9. a) No. Job 1 pays \$21 840 per year, which is more than Job 2, which pays \$21 600 annually.
b) Example: If both jobs are equal in other respects, it makes more sense to take Job 1 to earn more.
10. Rachael's salary is also \$21 600 per year. Therefore, their yearly net pays will be the same, unless one person has more special deductions, such as health insurance or union dues.

FM.5 Other Forms of Income, pages 56–67

Example 1

Check Your Understanding

1. a) \$104.395 b) \$230
c) \$180
2. a) \$104.40 b) \$185.52
c) \$215.76
3. a) \$765.10 b) \$1631.60
c) \$1098.90
4. a) \$1274.38 b) \$7077
c) \$234.30

5. Deidre would earn \$1080 at Job 1, which is more than the \$1050 she would earn at Job 2.
6. Job 2 would pay \$1140, which is more than Job 1.
7. a) \$500 b) \$1600
8. a) \$1200 b) \$1725

Example 2

Check Your Understanding

1. a) \$404.25 b) \$900
2. a) \$151.20 b) \$119
3. a) 150 containers
b) 28 boxes
4. Avery earns more if she is paid \$1.50 per article posted.
5. Examples:
a) Option 2 pays more, but the farmer has to get the work done in 2 weeks. Because he is busy haying, he may prefer Option 1 so that he can take his time. He would then earn \$750.
b) Option 2 pays more, as long as the farmer can complete the work in 2 weeks.
6. 16 bicycles
7. a) Example: I would choose to be paid per package because the pay is \$50 more.
b) If the noon rate was raised to \$900 then it would pay more than the piecerate, so it would be worthwhile for Laura to try to get this job done by noon.

Work With It

1. a) \$842.04 b) \$8235.52
2. a) \$761.50 b) \$14.32
3. a) \$498.65, \$58.28, \$153.45
b) \$11.28, \$59.40; Example: Jeffery pays less EI and CPP. He pays less EI because his salary is over the maximum so he just has to pay the amount to make it the maximum. He pays less CPP because he makes less in December than he did in January.

4. If she can complete the work in 2 days, she will earn more (\$200 versus \$191.25).
5. Example: *Commission* is income made according to sales, usually based on a percent of the sales price. A *bonus* is an additional amount paid to workers for higher sales or a job well done. *Piecework* refers to payment per unit of work, such as for each tree planted, garment sewn, or article typed. *Contract* employees receive a set amount for a specific piece of work completed in a specified amount of time.
6. Examples:
- a) Method 1 advantages: the company only pays the staff for renovations booked, and it will encourage the sales people to make bookings (or else they will not get paid). Method 1 disadvantages: the sales people may be more aggressive trying to get contracts and not listen carefully enough to what the customers actually want, and the staff may look for other employment with a guaranteed income; Method 2 advantages: the staff may not feel as pressured to book the appointments, so the customers may have a better experience, and the sales people are still encouraged to book as many renovations as possible to supplement their pay. Method 2 disadvantages: the company is required to pay the staff, even if they have not booked any appointments, and the staff may not be customer focused, because they know that they are getting paid either way.
- b) Method 1 has the advantage that the more renovations booked the better the income, whereas Method 2 has the advantage of an hourly rate paid even if no renovations are booked.

7. a) \$605 b) \$715
c) \$742.50
8. Example:

	+	-
\$75 for each shipment	• Luke can take his time	• lower pay
\$400 to complete the shipments by the end of shift	• higher pay • done earlier so he could take another job	• the rush to complete the job might be physically tiring

9. Example: Some commissioned salespeople may be pushy and try to convince you to buy a more expensive phone to increase their pay. I might look for a phone at a store where the salespeople are not on commission because then I know I will get the right phone for me.
10. Examples: Commission workers include car, some clothing, and insurance sales personnel. Piecework workers include those who assemble computer parts, pick fruits and vegetables, or sew for a manufacturer. Contract employees include writers and editors who are paid by the job.

FM.6 Budgets, pages 68–81

Example 1

Check Your Understanding

1. a) \$17.72 b) \$20.74
c) \$8.95 d) \$20.99
2. a) \$35.44 b) \$41.48
c) \$17.90 d) \$41.98
3. Examples:
- a)

Date	Amount	Spent on ...
April 1	\$100.00	GIC
April 2	\$2.75	Bus
April 2	\$9.88	Pizza
April 2	\$12.25	Movie
April 4	\$59.32	Cell phone bill
April 6	\$2.21	Snacks
April 8	\$30.00	Savings account
April 10	\$5.50	Bus