

Warm up!!!



1. Many big screen TV's have an aspect ratio of 16:9. This means that for every 16 inches of width, the TV will be 9 inches high. Calculate the height of a TV that is 27 inches wide.

2. The cost of a pack of 4 hamburgers is \$4.89, the cost of a pack of 12 buns is \$1.29, and the cost of 24 slices of cheese is \$3.69. What is the cost of 5 cheeseburgers? (1 hamburger, 1 slice of cheese, and 1 bun)

①

$$\frac{x}{27} = \frac{9}{16}$$

$x = 15.225$ inches

②

4.89/4	1.2225
1.29/12	.1075
3.69/24	.15375

1.22+0.11+0.15	1.48
Ans*5	7.40



1.

Many big screen TV's have an aspect ratio of 16:9. This means that for every 16 inches of width, the TV will be 9 inches high. Calculate the height of a TV that is 27 inches wide.

$$\frac{\text{width}}{\text{height}}$$

$$x = \text{height}$$

$$\frac{16}{9} = \frac{27}{x}$$

$$16x = 243$$

$$x = 15.1875$$

The height of the TV would be 15.2 inches.



2.

The cost of a pack of 4 hamburgers is \$4.89, the cost of a pack of 12 buns is \$1.29, and the cost of 24 slices of cheese is \$3.69. What is the cost of 5 cheeseburgers?

(1 hamburger, 1 slice of cheese, and 1 bun)

Hamburger	Bun	Cheese	One Burger:
<u>4.89</u>	<u>1.29</u>	<u>3.69</u>	\$1.22
4	12	24	0.11
1.2225	0.1075	0.15375	<u>0.15</u>
\$1.22 _{/h}	\$0.11 _{/b}	\$0.15 _{/c}	\$1.48
			Five Burgers:
			\$1.48 × 5 = \$7.40

Five cheeseburgers would cost \$7.40.

Hw ???
5


$1 \text{ kg} = 1000 \text{ g}$

5. The meat department at a large supermarket sells boneless steaks at the following prices:

- \$7.50 for 500 g;
- \$12.50 for 1 kg; and
- \$19.50 for 1.5 kg.

a) Which of these packages has the lowest unit price?

b) If a customer needs 2.5 kg, which combination of packages should he or she buy to get the best price but not have leftover meat?



Many people shop around to find a good deal on meat before they buy it.

← 0.5 kg → \$15/kg
 → 12.50/kg
 → \$13/kg

→ 12.50

1 → 1 kg
 1 → 1.5 kg

 2.5 kg



Setting a Price



SUPPLY/DEMAND:

- demand rises...cost increases.
- demand falls (or over supplied)...cost decreases.

Markup

The difference between the amount a dealer sells a product for and the amount he or she paid for it.

Percent

Percent means "out of 100"; a percentage is a ratio in which the denominator is 100.

The markup is usually a percent.

What's in a price???

- \$39.99 seems less expensive than \$40.
- price / 100 g rather than price / kg.
- weekly payments rather than monthly.

EX: The markup of the T-shirts is 25%. If the cost of making a T-shirt is \$8, determine the selling price...

There are two ways to calculate the selling price.

2 Steps

1. Cost x Percent

$$\begin{aligned} & \$8.00 \times 0.25 \\ & \quad \$2.00 \end{aligned}$$

2. Cost + Markup

$$\begin{aligned} & 8.00 + \$2.00 \\ & \quad \$10.00 \end{aligned}$$

OR

One Step

Cost x Percent

$$\begin{aligned} & \$8.00 \times 1.25 \\ & \quad \$10.00 \end{aligned}$$

Includes 100% of the original price and the 25% mark up.



What else
affects
selling price?





Federal →
5% GST



Goods and Services Tax

	GST	PST	HST
NS			15%
NB			13%
NFLD			13%
PEI			14 %



Provincial Sales Tax

Harmonized.



Harmonized Sales Tax

Retail Buying

<http://www.cra-arc.gc.ca/tx/bsnss/tpcs/gst-tps/rts-eng.html>

Sales Tax - Provincial (PST) / Goods & Services (GST)

GST is 5 % (effective Jan. 1/2008)

GST/HST rates

The GST is a tax that applies on most [supplies](#) of goods and services made in Canada. The GST also applies to supplies of [real property](#) (for example, land, buildings and interests in such property) and intangible property such as trademarks, rights to use a patent, and digitized products downloaded from the Internet and paid for individually.

The participating provinces (New Brunswick, Newfoundland and Labrador, Nova Scotia, and Ontario) harmonized their provincial sales tax with the GST to implement the HST. Generally, the HST applies to the same base of goods and services as the GST. On April 1, 2013, Prince Edward Island harmonized its provincial sales tax with the GST to implement the HST. Also, as of April 1, 2013, the HST at the rate of 12% (5% federal part and 7% provincial part) **no longer applies** in British Columbia. The HST at the rate of 12% has been replaced by the GST at the rate of 5% and a provincial sales tax.

In Quebec, Revenu Québec administers the GST/HST. If your business is located in Quebec, visit the [Revenu Québec Web site](#).

The GST/HST rates are as follows:

Province	April 1, 2013 and subsequent	July 1, 2010 to March 31, 2013	January 1, 2008, to June 30, 2010	July 1, 2006 to December 31, 2007	April 1, 1997, to June 30, 2006	Jan. 1, 1991 to March 31, 1997
Alberta	5%	5%	5%	6%	7%	7%
British Columbia	5%	12%	5%	6%	7%	7%
Manitoba	5%	5%	5%	6%	7%	7%
New Brunswick	13%	13%	13%	14%	15%	7%
Newfoundland and Labrador	13%	13%	13%	14%	15%	7%
Northwest Territories	5%	5%	5%	6%	7%	7%
Nova Scotia	15% ¹	15% ¹	13%	14%	15%	7%
Nunavut	5%	5%	5%	6%	7%	7%
Ontario	13%	13%	5%	6%	7%	7%
Prince Edward Island	14% ²	5%	5%	6%	7%	7%
Saskatchewan	5%	5%	5%	6%	7%	7%
Yukon	5%	5%	5%	6%	7%	7%

The HST breakdown:

- The HST rate of 12% includes the 5% federal part and 7% provincial part.
- The HST rate of 13% includes the 5% federal part and 8% provincial part.
- 2) The HST rate of 14% includes the 5% federal part and 9% provincial part. (As of April 1, 2013)
- 1) The HST rate of 15% includes the 5% federal part and 10% provincial part. (As of July 1, 2010)
- The HST rate of 14% includes the 6% federal part and 8% provincial part.
- The HST rate of 15% includes the 7% federal part and 8% provincial part.

Finding the tax...

$$\text{Amount of Tax} = \text{Regular Price} \times \text{Tax (as a decimal)}$$

$$\text{Total Cost} = \text{Regular Price} + \text{Tax}$$

Find total cost...

Multiply by 1.13

Shortcut to calculating tax?

Find the total cost (including HST) for each of the following...

CANADIAN TIRE

Hot Buys

- 1/2 price **239.79** Serengeti 21-speed bike
- 1/2 price **97¢** Beautiful and big food processor
- 1/2 price **748** Beach chair
- 1/2 price **59.88** Motorcycles/ATV jack
- save 70¢ **48.88** 600W food processor

$$239.79 \times 1.13 = 270.9627$$

$$39.96 \times 1.13 = 45.1548$$

$$48.88 \times 1.13 = 55.2344$$

- Cost?
- Cost?
- Cost?

NAVIGATOR

PHOTOS EXTERIOR INTERIOR PERFORMANCE SAFETY & SECURITY FEATURES & SPECS

Make a Lasting Impression
Starting at \$48,745

EXPLORE NAVIGATOR I
REDESIGNED INTERIOR

$$48745 \times 1.13 = 55081.85$$

$$48745 \times .13 = 6336.85$$

Amount of tax?



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[Worksheet - Setting the Price.pdf](#)



[1.3 Build Your Skills Detailed Solutions.pdf](#)



Attachments

1.3 Build Your Skills Detailed Solutions.pdf

Worksheet - Setting the Price.pdf