SAMPLE CHAPTER TEST SOLUTIONS

Part A: Multiple Choice

1. c) $420.41

2. d) gross earnings

3. b) $1112.00

4. c) $142.24

5. c) $516.50

Part B: Short Answer

6. Calculate her weekly gross pay.
$12.10/h × 40 h = $484.00
Calculate the amount of the deductions.
$484.00 × 0.40 = $193.60
Subtract the deductions from the gross pay.
$484.00 − $193.60 = $290.40
Edouardine's net pay is $290.40.

7. Divide the earnings by the piecework rate.
$$x = \frac{\$600.00}{\$4.10}$$
$x = 147$, rounded up to a whole number
Sachiko needs to assemble 147 blinds.

8. Calculate his regular biweekly salary.
$28.10/h × 80 h = $2248.00
Subtract his regular salary from the total salary with overtime.
$2479.83 − $2248.00 = $231.83
Calculate his overtime pay rate.
$28.10/h × 1.5 = $42.15
Divide the overtime salary by the overtime pay rate.
$231.83 ÷ $42.15 = 5.5
He worked 5.5 hours of overtime.

9. Note: Students will need access to federal and Nova Scotia tax tables for biweekly pay (for $1173.08). These are available at: http://www.cra-arc.gc.ca/tx/bsnss/tpcs/pyrll/t4032/menueng.html.
Calculate Marie's biweekly gross pay.

$$\frac{\$30\,500.00}{26} = \$1173.08, \text{ rounded off}$$

Look up the federal and provincial tax rates for claim code 1 on the biweekly tables.
Federal tax: $97.40

NS tax: $70.90

10. Note: Students will need access to federal and New Brunswick tax tables for monthly pay (for $3145.00). See #9 above for link.
Subtract before-tax deductions from the gross earnings.
$3425.00 – $15.00 – $225.00 – $40.00 = $3145.00
His taxable income is $3145.00.
Look up the monthly tax tables for NB.
Federal tax: $296.45
NB tax: $201.35

Part C: Extended Answer

11. a) Calculate the hours he worked each day.
Sunday 8.75 h
Monday 8.50 h
Tuesday 8.50 h
Wednesday 3.50 h
Saturday 7.75 h
Calculate the overtime worked.
Sunday 0.75 h
Monday 0.50 h
Tuesday 0.50 h
He worked a total of 1.75 hours of overtime.
b) Calculate his total hours worked.
8.75 + 8.50 + 8.50 + 3.50 + 7.75 = 37.00 h
Calculate the number of hours paid at the regular hourly rate.
Total hours − overtime hours = regular hours
37 − 1.75 = 35.25
35.25 × $17.50 = $616.88, rounded off
Calculate the hours paid at double time.
1.75 × $17.50 × 2 = $61.25
$616.88 + $61.25 = $678.13
His gross earnings for the week were $678.13.

12. a) Calculate the total value of the contracts sold.
$360.00 × 35 = $12 600.00
Calculate the commission.
$12 600 × 0.05 = $630.00
She will earn $630.00 in commission.
b) Add her base salary to her commission earnings to find her total earnings.
$1800.00 + $630.00 = $2430.00
Her total earnings in July were $2430.00.

13. Calculate the difference between her total salary and her base salary.
$750.00 − $475.00 = $275.00
Calculate the value of her sales that would earn $275.00 in commission.
$0.07x = $275.00

$x = \dfrac{250}{0.07}$

$x = \$3928.57$, rounded off

Her sales for the week would have to total $3928.57.

14. Calculate each person's weekly pay.

Jian

Calculate his regular hours

$35 \times \$13.26 = \$464.10$

Calculate his overtime wage.

$\$13.26 \times 1.5 = \$19.89$

Calculate his overtime hours and multiply by his overtime wage.

$42 - 5 = 7$ h overtime

$\$19.89 \times 7 = \$139.23$

Add his regular earnings to his overtime earnings.

$\$464.10 + \$139.23 = \$603.33$

Clive

Calculate his regular hours

$37.5 \times \$13.46 = \$504.75$

Calculate his overtime hours and multiply by his overtime wage.

$42 - 37.5 = 4.5$ h overtime

$\$13.46 \times 1.5 = \$20.19$

$\$20.19 \times 4.5 = \$90.86$, rounded off

$\$504.75 + \$90.86 = \$595.61$

Jian will earn more than Clive that week.

15. Note: Students will need access to federal and New Brunswick tax tables for biweekly pay (for $1417.25). See #9 above for link.

Calculate Yetta's gross pay for one week.

Regular pay

$40 \text{ h} \times \$15.50 = \$620.00$

Overtime pay

$4 \text{ h} \times \$15.50 \times 1.5 = \$93.00$

Total gross pay

$\$620.00 + \$93.00 = \$713.00$

$\$713.00 \times 2 = \$1426.00$

For two weeks, her gross pay is $1426.00.

Calculate the CPP deduction.

$\$1426.00 - \$134.62 = \$1291.38$

$\$1291.38 \times 0.0495 = \$63.92$

Calculate the EI deduction.

$\$1426.00 \times 0.0173 = \$24.67$

To find her taxable income, deduct the union dues.

$\$1426.00 - \$8.75 = \$1417.25$

Look up the income tax amounts in the tax tables.

Federal tax: $127.40

NL tax: $85.30

Subtract all the deductions from the biweekly gross pay.

$\$1426.00 - \$63.92 - \$24.67 - \$8.75 - \$127.40 - \$85.30 = \$1115.96$

Yetta's net pay is $1115.96

16. Divide $475.00 by the regular rate of pay.
$475.00 ÷ $10.80/h = 44 hours, rounded
Because overtime is paid at double time, any combination of regular hours and double the number of overtime hours that equals 44 will work.
Example:
40 hours of regular time + 2 hours of overtime.
$432.00 + $43.20 = $475.20
38 hours of regular time + 3 hours of overtime.
$410.40 + $64.80 = $475.20