

Curriculum Outcome

General Outcome: Develop number sense and critical thinking skills.

N1 Solve problems that involve unit pricing and currency exchange, using proportional reasoning.

N2 Demonstrate an understanding of income, including: wages, salary, contracts, commission, piecework, and calculating gross pay and net pay.

N3 Demonstrate an understanding of compound interest.

N4 Demonstrate an understanding of financial institution services used to access and manage finances.

N5 Demonstrate an understanding of credit options, including: credit cards, and loans.

Student Friendly:



HOMEWORK...

P. 26: Questions #1-7

1.2 Build Your Skills Detailed Solutions.pdf

1) 87.75

2) 21 Kg for \$50.99

3) \$120 / 4

4) a)
$$\begin{array}{r} 1: \\ \hline 49.98 \\ \hline 1 \end{array}$$

$$\begin{array}{r} 2 \\ \hline 7.75 \\ \hline 1 \end{array}$$

$$\begin{array}{r} 3 \\ \hline 7.67 \\ \hline 1 \end{array}$$

B) She will need to buy 1 (3Pk) and 2 (2pks) = \$53.96.

5) \$12.50 / 1Kg

b) \$32

1 of the 1000g and 1 of the 1500g = \$32.

6) \$0.017/g

\$0.0159/g

\$0.01475/g

or / 100g
or / 1Kg

7) 3 Kits 3 + 1 Kit 2
= \$269.75

7. A potash mining company in northern New Brunswick is buying industrial first-aid kits in bulk. First-aid kits are available in three sizes.

- A small kit costs \$42.50 and contains enough supplies to meet the needs of 1–9 workers. $\$4.72$
- A medium-sized kit costs \$58.25 and will serve 10–40 workers. $\$1.46$
- A large kit costs \$70.50 and will serve 41–75 workers. $\$0.94$

Jason, the buyer, needs to buy kits for 250 workers. Which combination of kits will be the least expensive? What will the total cost be before taxes?

3lg + 1med

$\$269.75$



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.

OR

1. Cost x Percent	
$\$8.00 \times 0.25$	
$\$2.00$	
2. Cost + Markup	
$\$8.00 + \2.00	
$\$10.00$	

Cost x Percent

$\$8.00 \times 1.25$

$\$10.00$

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



What else
affects
selling price?





Goods and Services Tax

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



Provincial Sales Tax

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



Harmonized Sales Tax



The following table shows the **general rates** of provincial sales taxes or HST for most purchases, and provides links to the provincial (or federal) web sites regarding provincial retail sales taxes.

Prov/ Terr	2019 Rate		Provincial Web Sites
	GST/HST	PST	
AB	5% GST	n/a	
BC	5% GST	7%(2)	BC Consumer Taxes TaxTips.ca PST in BC
MB(3)	5% GST	8% / 7%	Manitoba Retail Sales Tax
NB	15% HST	n/a	New Brunswick HST
NL	15% HST	n/a	Newfoundland & Labrador HST
NS	15% HST	n/a	Nova Scotia HST
NT	5% GST	n/a	
NU	5% GST	n/a	
ON	13% HST	n/a(1)	Ontario Retail Sales Tax TaxTips.ca Ontario HST Ontario HST
PE	15% HST	n/a	Prince Edward Island HST
QC	5% GST	9.975%	Quebec Consumption Taxes - Businesses Quebec Consumption Taxes - Individuals Basic Rules for GST and QST - rates
SK	5% GST	6%	Saskatchewan Provincial Sales Tax
YT	5% GST	n/a	

(1) Ontario still has retail sales tax on insurance and on private sales of used motor vehicles. See the link to Ontario Retail Sales Tax for more information.

(2) Effective January 1, 2018, the PST rate was reduced from 7% to 3.5% on taxable purchases of electricity (e.g. electricity for business use). Effective April 1, 2019, electricity will be fully exempt from PST.

(3) Effective July 1, 2019, as per the [Manitoba 2019 budget](#), the retail sales tax rate is reduced from 8% to 7%.

Businesses which sell taxable goods and/or services in each province are required to register as a vendor to collect the provincial retail sales tax where applicable.

Québec	GST + QST	9.975%	5%	14.975%
Saskatchewan	GST + PST	5%	5%	10%
Yukon	GST	0%	5%	5%

BRITISH COLUMBIA HST

From April 1st 2013, a change was made to the HST replaced by provincial sales tax (PST) and GST (Canada government) in British Columbia

[See the website of the Canada Revenue Agency](#)

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.

I. Finding the tax...

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

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

II:

Find total cost...

1.15

Cost?

Multiply by 1.15

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

CANADIAN TIRE

1/2 price 239⁷⁹ Serengeti 21-speed bike

1/2 price 97¹ Borden's

1/2 price 748 Beach chair

1/2 price 59⁸⁸ Motorcycle/ATV jack

save 70% 48⁸⁸ 100 piece socket set

1/2 price 39⁹⁶ 600W food processor

Cost?

$$\begin{aligned} & \$39.96 \times 1.15 \\ & \$45.96 \end{aligned}$$

Cost?

$$\$48\,745 \times 1.15$$

$$\$56\,056.75$$

NAVIGATOR PHOTOS EXTERIOR INTERIOR PERFORMANCE SAFETY & SECURITY

Make a Lasting Impression
Starting at \$48,745

EXPLORE NAVIGATOR | REDESIGNED INTERIOR

Cost?

$$\$56\,056.75 - \$48\,745$$

$$\$7\,311.75$$

Amount of tax?

\$26 554 (two steps)

GST **PST**

1. Cost x Percent (GST tax) Cost x Percent (PST tax)

$\$26\,554 \times 0.05$ $\$26\,554 \times 0.10$

$\$1\,327.70$ $\$2\,655.40$

Black dotted boxes are present at the bottom of the image, likely representing redacted information.



Arlene purchases fabric at a wholesale price for her custom sewing business in Cavendish, PEI.

$$46 \times 0.20 = 9.20$$

She pays \$46.00/m.

She charges a markup of 20% on the fabric.

What will Arlene charge her clients per metre?

This activity requires a later version of SMART Notebook software. 
Make sure you're using Notebook software.

$$\begin{array}{r} 46.00 \\ 9.20 \\ \hline 55.20 \end{array}$$



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She pays \$46.00/m.
She charges a markup of 20% on the fabric.
What will Arlene charge her clients per metre?

OR

1. Cost x Percent

$$\begin{aligned} & \$46.00 \times 0.20 \\ & \quad \$9.20 \end{aligned}$$

2. Cost + Markup

$$\begin{aligned} & \$46.00 + \$9.20 \\ & \quad \$55.20 \end{aligned}$$

Cost x Percent

$$\begin{aligned} & \$46.00 \times 1.20 \\ & \quad \$55.20 \end{aligned}$$



HW: Page 32
Questions 1 -6

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



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Attachments

1.2 Build Your Skills Detailed Solutions.pdf

1.3 Build Your Skills Detailed Solutions.pdf