

Key

Gross Pay and Net Pay

1. If you earn \$ 28 000.00 per year, how much is the gross pay on your cheque when you are paid..

a. Monthly $\$28000/\text{yr} \div 12 \text{ months/yr} = \boxed{\$2333.33/\text{month}}$

b. Biweekly $\$28000/\text{yr} \div 52 \text{ weeks/yr} \times 2 = \boxed{\$1076.92 \text{ biweekly}}$

c. Weekly $\$28000/\text{yr} \div 52 \text{ weeks/yr} = \boxed{\$538.46/\text{week}}$

d. Every two weeks same as b! haha!

2. If your gross pay is \$ 800.00 per month, what is your gross pay per ...

a. week $\$800.00/\text{month} \div 4.33 \text{ weeks/month} = \boxed{\$184.76/\text{week}}$

b. year $\$800.00/\text{month} \times 12 \text{ months/yr} = \boxed{\$9600.00/\text{yr}}$

3. A starting teacher makes \$ 44 500 per year. Teachers are paid biweekly. What is a teacher's gross pay on his/her cheque?

$$\$44500/\text{yr} \div 52 \text{ weeks/yr} \times 2 = \boxed{\$1711.54}$$

Make sure to consider the CPP rules for calculation. \$3500/year exemption.

CPP is 4.16%

4. a. A person is paid \$ 400.00 per week. How much does this person pay in CPP? $\$400/\text{week} \times 52 \text{ weeks/yr} = \$20800/\text{yr} - 3500 \text{ exemption} = \$17300 \text{ is non-exempt}$

$$\rightarrow \$17300/\text{yr} \div 52 \text{ weeks/yr} = \$332.69$$

$$\$332.69 \times 0.0416 = \boxed{\$13.84}$$

- b. What percentage ^{des} this person contribute to CPP from their gross salary?

$$\% = \frac{\text{CPP}}{\text{gross pay}} = \frac{\$13.84}{\$400} = \boxed{3.46\%}$$

5. Vern is paid \$ 21 200/year. If Vern is paid weekly, how much in CPP does he pay per cheque? * tables build in the exemption

$$21\,200 / \text{yr} \div 52 \text{ weeks/yr} = \$407.69 / \text{week}$$

$$\text{CPP} = \boxed{\$16.85}$$

6. Bimbo has a gross salary of \$ 19 500.00 / year. If Bimbo is paid biweekly, how much in CPP does he pay each cheque?

$$19\,500 / \text{yr} \div 52 \text{ weeks/yr} = \$375.00 / \text{week}$$

$$\text{CPP} = \$15.23 \times 2 = \boxed{\$30.46}$$

7. John earns \$ 360.00 per week. If EI is 1.73%, ho much in EI does he pay...

a. per week $\$360.00 \times 0.0173 = \boxed{\$6.23 / \text{wk}}$

b. per year $\$6.23 \times 52 \text{ weeks} = \boxed{\$323.96 / \text{yr}}$

- c. how much CPP does John pay per week?

$$\$14.49$$

- d. What percentage of John's gross pay go towards EI and CPP together.

$$\% = \frac{\text{CPP} + \text{EI}}{\text{weekly pay}} = \frac{\$6.23 + \$14.49}{\$360}$$

$$= \frac{\$20.72}{\$360} = \boxed{5.8\%}$$