

HW Questions p. 21 #1-9

8

8. Keri is a member of New Brunswick's Madawaska Maliseet First Nation. She works as a carpenter and is mixing a shade of stain for a set of cabinets she has built. The ratio for the shade she wants is 3 parts of Spanish oak to 4 parts of red mahogany. If she needs 12 litres in all, how many litres of each stain does she need?

Oak : Mahogany
 3 : 4 ← TOTAL 7
 3/7 Oak 4/7 M
 43% 57%

0.43×12	Oak	5.16 L
$.57 \times 12$	M	6.84 L

4. Jane is selling tickets to see the band Vishten. She sells 4 tickets on Thursday, 6 on Friday, and an equal number each on Saturday and Sunday, for a total of 36 tickets sold over four days. How many tickets were sold each day on Saturday and Sunday? What proportion of the total sales took place on Saturday?

<u>Thurs</u>	<u>Fri</u>	<u>Sat</u>	<u>Sun</u>	TOTAL
4	6	13	13	36

$$\frac{13}{36}$$



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.

Markup
Multiply by
 $1 + \%$ as a decimal

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

OR

- 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	5%	10.1	15%
NB	5%	10.1	15%
NFLD	5%	10.1	15%
PEI	5%	9.1	14 %



Provincial Sales Tax



Harmonized Sales Tax

HST - Harmonized Sales Tax ^{NB/NS (15%)}
^{NB/NS}
PST - Provincial Sales Tax (10%)
↳ goes to Province
GST - Goods & Services Tax ^{All (5%)}
↳ goes to Federal

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...

Shortcut to calculating tax?

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

CANADIAN TIRE

1/2 price 239⁷⁹ Serengeti 21-speed bike
Aluminum full suspension frame, Shimano 22 Freewheel, Shimano front and rear derailleurs in black. Reg. \$479.99

1/2 price 97⁴ Biscuits and one hand drivers. Amazon Basics. Reg. \$19.99

1/2 price 748 Beach folding chair. Reg. \$14.96

1/2 price 59⁸⁸ Motorcycle/ATV jack. 1500 lb capacity for motorcycles, ATVs, riding mowers, in stock. Reg. \$119.99

save 70⁰ 48⁸⁸ 100-piece socket set, 1/2", 3/4" and 1" drive incorporates pass key rings, bits and wrenches, in stock. Reg. \$139.99

600W food processor 50-cup capacity, 100-watt power, reversible stainless steel disk and chopping blade included. Dishwasher-safe parts, in stock. Reg. \$99.99

Cost?

Cost?

Cost?

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Cost?

Amount of tax?



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

She pays \$46.00/m.

She charges a markup of 20% on the fabric.

What will Arlene charge her clients per metre?





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OR

1. Cost x Percent

$$\$46.00 \times 0.20$$

$$\$9.20$$

2. Cost + Markup

$$\$46.00 + \$9.20$$

$$\$55.20$$

Cost x Percent

$$\$46.00 \times 1.20$$

$$\$55.20$$



HW: Page 32 HST (15%)
Questions 1 - 8

 Worksheet - Setting the Price.pdf

 **1.3 Build Your Skills Detailed Solutions.pdf**

Attachments

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Worksheet - Setting the Price.pdf