

Section I — Multiple choice

1 Which of the following is the highest annual salary?

- A \$2224 per week B \$4440 per fortnight C \$9612 per month D \$115 753 per annum
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2 Jasmine receives a normal hourly rate of \$18.70 per hour. What is her pay when she works 12 hours?

- A \$112.20 B \$211.20 C \$215.60 D \$224.40
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3 Ryan works a 38-hour week at a rate of \$32.88 per hour. If he works at night, Ryan is paid a loading of \$2.70 per hour. What is Ryan's wage in a week where he works 38 hours of which 12 are at night?

- A \$1249.44 B \$1281.84 C \$1352.12 D \$1644.00
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4 Eliza earns a weekly retainer of \$430 plus a commission of 2% on sales above \$8 000. What are her weekly earnings when she made sales of \$15 000?

- A \$430 B \$570 C \$590 D \$730
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5 Adam is a carpet layer and charges \$37.50 per m². How much will he earn for laying carpet in a room whose area is 9 square metres?

- A \$37.50 B \$46.50 C \$337.50 D \$675.00
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6 Molly earns a royalty of 15% on net sales. There were \$35 850 net sales in the last year. What is Molly's royalty payment?

- A \$5377.50 B \$30 472.50 C \$35 850.00 D \$41 227.50
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7 Joshua has a gross weekly wage of \$835.12. Joshua has deductions of \$103.84 for PAYG tax, \$33.40 for private health insurance and \$5.00 for a charity. What is Joshua's net wage?

- A \$692.88 B \$769.68 C \$900.56 D \$977.36
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8 Hannah has budgeted \$210 per week for groceries, \$70 per week for leisure, \$23 per fortnight for medical expenses and \$90 per week to run a car. Calculate the monthly expenses. Assume 4 weeks in a month.

- A \$381.50 B \$393 C \$1526 D \$1572
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Section II — Short answer

1 Mia works as a chemist and is paid an annual salary of \$95 836.

- a What is her average weekly wage?
- b Calculate her hourly rate of pay if she works a 38-hour week.

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2 Dylan is a tiler who earns \$1425 for a fortnight that includes a normal 60 hours as well as 10 overtime hours at time-and-a-half. Find his normal hourly rate of pay.

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3 Jasmine’s normal pay is \$7486 per week. She is entitled to $17\frac{1}{2}\%$ annual leave loading.

- a What is her hourly rate of pay if she works a 38-hour week?
- b What is her holiday loading if she takes two weeks’ leave?

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4 Michael is paid \$450 per week and also receives 4% commission on sales in excess of \$1000. What was the total of Michael’s sales in a week if he is paid \$570?

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5 Ava earns \$18.60 per hour for a 38-hour week. She pays tax at the rate of 30 cents in the dollar, and has other after-tax deductions such as superannuation for \$34.20 and private health insurance for \$23.40.

- a What is Ava’s gross weekly income?
- b How much tax is deducted from her gross weekly income?
- c What is Ava’s net weekly income?

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Topic Test 1 Earning and managing money

Worked solutions

Section 1	Solution	Answer
1	A: $\$2224 \text{ per week} = \$2224 \times 52 = \$115\,648 \text{ p.a.}$ B: $\$4440 \text{ per fortnight} = \$4440 \times 26 = \$115\,440 \text{ p.a.}$ C: $\$9612 \text{ per month} = \$9612 \times 12 = \$115\,344 \text{ p.a.}$	D
2	Pay = $12 \times \$18.70$ = $\$224.40$	D
3	Wage = $38 \times 32.88 + 12 \times 2.70$ = $\$1281.84$	B
4	Commission = $\$430 + 0.02 \times (\$15\,000 - \$8000)$ = $\$570$	B
5	Earnings = $9 \times \$37.50$ = $\$337.50$	C
6	Royalty payment = $0.15 \times \$35\,850$ = $\$5377.50$	A
7	Net wage = $\$835.12 - (\$103.84 + \$33.40 + \$5.00)$ = $\$692.88$	A
8	Expenses = $\$210 \times 4 + \$70 \times 4 + \$23 \times 2 + \90×4 = $\$1526$	C

Section II	Solution
1a	$\text{Weekly wage} = \$95\,836 \div 52$ $= \$1843$ <p>Average weekly wage is \$1843</p>
1b	$\text{Pay} = \$1843 \div 38$ $= \$48.50$ <p>Hourly rate of pay is \$48.50</p>
2	$\text{Rate of pay} = \frac{\$1425}{60 + 10 \times 1.5}$ $= \$19$ <p>Dylan's normal hourly rate of pay is \$19</p>
3a	$\text{Normal pay} = \$7486 \div 38$ $= \$197$ <p>Jasmine's hourly rate of pay is \$197</p>
3b	$\text{Holiday loading} = 0.175 \times \$197 \times 2 \times 38$ $= \$2602.10$ $\text{Holiday pay} = \$2602.10 + (\$7486 \times 2)$ $= \$17\,592.10$
4	$\$570 = \$450 + 0.04 \times (x - \$1000)$ $x - \$1000 = \frac{\$120}{0.04}$ $x = \$4000$ <p>Michael's sales in the week were \$4000</p>
5a	$\text{Gross weekly income} = 38 \times \18.60 $= \$706.80$ <p>Ava's gross weekly income is \$706.80</p>
5b	$\text{Tax} = 0.30 \times \706.80 $= \$212.04$ <p>Ava had \$212.04 deducted for tax</p>
5c	$\text{Net weekly income} = \$706.80 - \$212.04 - \$34.20 - \$23.40$ $= \$437.16$ <p>Ava's net weekly income is \$437.16</p>