

Alternative Ways to Earn Money





A person who works for him or herself rather than for an employer



Piecework

When someone is paid a set rate for an amount produced





Commission

An amount
(usually a percentage)
paid to someone
for a business transaction



Contract



A legal agreement that outlines term, conditions, and payments for work to be done



Recall

Troy is selling cakes. It cost Troy \$8.00 to make each cake. His markup price is 99%. What is the selling price for each cake?



markup is an increase in price

$$\text{Selling Price} = \$8.00 \times 1.99$$

= \$15.92

$$\begin{array}{r} 100\% \\ + 99\% \\ \hline 199\% \end{array}$$

Working Backwards

Jennifer sells necklaces and bracelets made from glass beads. Her markup price on these items are 35%. If a customer pays \$225.00 at Jennifer's boutique, how much did Jennifer make after expenses?

$$\begin{array}{r} 100\% \\ + 35\% \\ \hline 135\% \end{array}$$

Markup (35%)

$$\mathbf{\$225.00 / 1.35 = \$166.67}$$

Gwen works as a sales clerk in a clothing store. She earns a base salary of \$10.00/h plus a 15% commission on the price before taxes of each item she sells.



- a) If Gwen works for 8 hours in one day how much would she make in regular earnings that day?

$$\begin{aligned}\text{Regular Pay} &= \$10.00/\text{h} \times 8\text{h} \\ &= \$80.00\end{aligned}$$

Gwen works as a sales clerk in a clothing store. She earns a base salary of \$10.00/h plus a 15% commission on the price before taxes of each item she sells.

b) If Gwen sells a suit with a price of \$625.00, a sweater priced at \$95.00, 3 T-shirts that cost \$45.00 each, and a raincoat price at \$225.00. How much did she make on commission?

Suit	- \$625.00
Sweater	- \$ 95.00
3 T-shirts (3 x 45)	- \$135.00
Raincoat	- \$225.00
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Total	\$1080.00



Commission (15%) 15% of \$ 1080.00

$$0.15 \times \$ 1080.00$$

$$= \$ 162.00$$

Gwen works as a sales clerk in a clothing store. She earns a base salary of \$10.00/h plus a 15% commission on the price before taxes of each item she sells.

c) What was Gwen's total earnings that day?

$$8\text{hrs.} \times 10.00 = \$80.00 \quad (\text{Regular Pay})$$

$$\text{Commission (15\%)} \quad 1080.00 \times 0.15 = \underline{\underline{\$162.00}}$$

$$\text{Total Earnings: } \$80.00 + 162.00 = \$242.00$$



John is a painting contractor. He negotiates a contract with a homeowner to paint the exterior siding on a house at a rate of \$30.00/hour plus the cost of materials.

If it takes John **six** 8 hour days to prepare and paint the siding, and he uses 15 gallons of paint that cost \$45.00 each. What is the total value of the contract?

How many hours	-	6 days x 8 hrs.	=	48 hours
Cost of Labour	-	48 hrs. x \$30.00	=	\$1440.00
Cost of Materials	-	15 gallons x \$45.00	=	\$675.00

Total Value of Contract:

$$1440.00 + 675.00 = \$2,115.00$$



Andrea, a car manufacturer in Ontario, accepts a contract to make a certain type of car for \$24,000.00.

a) If the cost of materials and labour to make the car is \$15,000.00, how much is her profit?

$$\mathbf{\$24,000.00 - \$15,000.00 = \$9,000.00}$$

b) What is the amount expressed as a percentage of the contract?

$$\mathbf{9000.00 / 24000.00 = 38\%}$$



Check out pages 69 and 70.

Questions 1 to 7