

WHERE DID THE MONEY GO?

Amy and Jason made some hard decisions to reduce their spending. Realizing they each needed to increase their income, they decided to get a part-time job at Cuckoo Cones. Their pay per hour is \$15/hr. and they are scheduled to work 10/week. "Wow!" Exclaimed Jason. That's \$150 each week.

After two weeks of dishing out an untold number of ice cream cones they received their first pay checks. After excitedly opening their pay envelopes, their jaws dropped. "We've been robbed" cried Jason.



DEFINITIONS:

- **Gross Pay:** An employee's pay before being reduced by taxes and other deductions.
- **Net Pay:** Gross pay minus taxes and other deductions (voluntary and involuntary).

CUCKOO CONES				Earnings Statement			
EMPLOYEE NO.	EMPLOYEE NAME		SOCIAL SECURITY NO.	PERIOD BEG.	PERIOD END	CHECK DATE	
02147	JASON HUNTER		xxx-xxx-218	09/10/2019	09/24/2019	09/27/2019	
EARNINGS	HOURS	RATE	CURRENT AMOUNT	WITHHOLDINGS/DEDUCTIONS		CURRENT AMOUNT	YEAR TO DATE
GROSS PAY	20.00	15/HR.	300.00	Employment Insurance (EI)	\$6.24	\$6.24	\$6.24
				Canada Pension Plan (CPP)	\$0.00	\$0.00	\$0.00
				Tax Free Savings Account	\$50.00	\$50.00	\$50.00
				Taxes	\$78.56	\$78.56	\$78.56
CURRENT AMOUNT	CURRENT DEDUCTIONS	NET PAY	YTD EARNINGS	YTD DEDUCTIONS	YTD NET PAY	CHECK NO.	
300.00	134.80	165.20	300.00	134.80	165.20	69854	

QUESTIONS

Show your work on separate paper.

1. What percentage of Jason's gross pay goes for taxes?
2. What percentage of his gross pay is used for voluntary deductions (deductions he chooses to make)?

NOW TRY THIS!

1. The way a person allocates the funds from his or her paycheck has been described by some as "saving, giving, and living." How do you think this expression applies to Jason and how he assigns available funds?
2. If you received income from a part-time job, why do you think it would be important to "save, give, and live"?