

b) Referring to Amanda's pay statement, calculate the Employment Insurance premium that will be deducted from her weekly pay. In 2008, the EI premium rate was 1.73% of gross earnings.

5) Amber works as a cashier and earns \$960.00 biweekly. Each pay period, her employer deducts \$69.50 for federal tax, \$21.91 for provincial tax, and 1.73% for EI premiums. The CPP contribution rate is 4.95%, and the CPP annual exemption is \$3500.00. What is Amber's net pay?

6) Gerry's employer has a dental plan for employees that covers Gerry, his spouse, and their child. The dental plan will pay 100% for routine checkups and cleaning and basic procedures such as fillings. It pays 70% for a crown and 65% for braces. One year, the following dental work is done:

- each member of the family has a routine checkup and cleaning that costs \$165 for each person;
- Gerry gets a crown that costs \$900.00; and
- the child has a filling that costs \$125.00 and gets braces that cost \$4250.00

a) How much is the total bill?

b) What amount will the insurance company pay?

Answers

1. a) \$1098.84 b) \$2211.96 2. about 23% 3. \$790.21 4.a) \$21.42 b) \$8.65
5. \$811.12 6.a) \$5770.00 b) \$4012.50