Section 1.3 WPA – Setting a Price

Example 1
Convert 65% to a decimal.

Solution: To convert a **percentage** to a decimal, first convert it to a fraction with a denominator of 100, then divide the numerator by the denominator.

i) Convert the following percentages to decimals.

a) 78%   b) 93%

c) 125%   d) 324%

Example 2

Calculate 20% of 45.

Calculate the following percentages.

a) 15% of 300   b) 45% of 1500

Example 3

i)   What percent is 5 of 20? Write equal ratios.

ii)   Calculate what percentage the first number is of the second (to the nearest tenth of a percent).

a) 65 of 325   b) 135 of 405

Example 4

i) Melanie owns a clothing store. Her standard markup is 85%. She bought a coat from the wholesaler at $125.00.

    a) What would the markup be?

    b) How much would Melanie charge her customer for the coat?

ii) The markup on a bicycle in a sporting goods store is 125%. The bicycle's wholesale price is $450.00. What is the markup in dollars?

Example 5

    a) Quentin wants to buy a pair of steel-toed boots listed at $179.95. How much will the boots cost if 5% GST and 6% PST are charged?

    b.) What would you have to pay for a jacket that is listed at $99.95 if you live in Nunavut, where the only tax is 5% GST?

PRACTISE YOUR NEW SKILLS

1. Calculate the following percentages.

   a) 5% of 72   b) 275% of 8

   c) 152% of 200   d) **6.75 %** of 700

2. An electrician buys his material at the local hardware store, then charges his customer 20% more. The material for a given project is $253.75 at the hardware store.

   a) What is the markup?

   c) How much does he charge the customer for the material?

3. Maria is a florist in a small boutique. If Maria paid her supplier $8.50/doz for roses and sold them for $19.95, what was the percent markup?

4. Garth buys snow tires from a dealer in Thunder Bay, ON. The tires cost $79.00 each. To make a profit, he must mark them up 40%. How much must a customer pay for 4 tires if there is a 12% HST on the final sale?

5. Because the cost of ingredients has gone up, Maurice has decided to increase the cost of meals in his restaurant by 12%. How much will he now charge for a grilled salmon fillet that used to cost $17.95?

6. The wholesale cost of a certain brand of T-shirts is $132.00/dozen. To cover costs and make a profit, Lorena marks them up by 75%. If GST is 5% and PST is 7%, what will a customer have to pay for 1 T-shirt?

7. An MP3 player that Harry wants to buy sells for $89.95 in BC where there is 12% HST. When he is on holiday in Alberta (where there is only the 5% GST), Harry sees the same MP3 player for $94.89. Which is a better buy and by how much?